

Limited Review Report on quarterly Unaudited 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

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 year to date 31st December 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 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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable 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 Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended including the manner in which it is to be disclosed or that it contains any material misstatement.

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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 31st December 2021 is Rs.830.86 crores, inclusive of interest of Rs 2.35 Crs for the quarter. The company had previously calculated interest on the part amount of decree from the date of decree to the date of payment /settlement of one decree and in other decree at quarterly rest instead of simple interest annually (Refer Note 2).
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 31st December 2021 aggregating to appx Rs 1.48 Crs (including interest), inclusive of Rs 0.02 Crs for the quarter which is not provided for. (Refer Note 3).
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

.....3/-



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 ended December , 2021.

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



Place : Mumbai.
Dated : February 14, 2022

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

S m Bhingarde

S.M. Bhingarde
Proprietor
M.No 40170
UDIN: 22040170ACDYMP5802

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021

Sr. No.	Particulars	(Rs. in Lacs)					
		Quarter Ended			Nine Months Ended		Year Ended
		Dec 31, 2021 (Unaudited)	Sep 30, 2021 (Unaudited)	Dec 31, 2020 (Unaudited)	Dec 31, 2021 Unaudited	Dec 31, 2020 Unaudited	Mar 31, 2021 (Audited)
I	Revenue from Operations	4.38	4.38	5.09	13.14	15.26	16.59
II	Other Income	-	16.68	0.66	16.68	1.99	9.01
III	Total Income (I+II)	4.38	21.06	5.75	29.82	17.25	25.60
IV	Expenses						
	Employees benefit costs	2.36	2.47	2.24	7.66	7.36	9.72
	Finance costs	0.26	-	0.04	0.26	0.10	0.17
	Depreciation and Amortisation Expense	0.21	0.20	0.26	0.62	0.78	1.03
	Other Expenses	28.39	14.46	12.26	56.36	32.76	50.23
	Total Expenses (IV)	31.22	17.13	14.80	64.90	41.00	61.15
V	Profit/(Loss) before Tax (III-IV)	(26.84)	3.93	(9.05)	(35.08)	(23.74)	(35.55)
VI	Tax Expense:						
	Current Tax	-	-	-	-	-	-
	Deferred Tax	-	-	-	-	-	-
	(Excess)/ short provision for tax relating to earlier years	-	-	-	-	-	-
	Total Tax Expenses (VI)	-	-	-	-	-	-
VII	Net Profit or / (Loss) for the period (VII-VIII)	(26.84)	3.93	(9.05)	(35.08)	(23.74)	(35.55)
VIII	Other comprehensive income / (expense) (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)	(26.84)	3.93	(9.05)	(35.08)	(23.74)	(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	(10.86)	1.59	(3.66)	(14.19)	(9.60)	(14.38)
	* Not annualised						

For S. M. Bhingarde & Co.

PLACE: MUMBAI
DATE: 14TH FEBRUARY 2022



S. M. Bhingarde
Proprietor

Membership No.
40170

For MACKINNON MACKENZIE & CO.LTD.

[Signature]
MR. NANDKISHOR YASHWANT JOSHI
DIRECTOR
DIN NO. 09324612



NOTES

- 1 The above results were reviewed by the Audit Committee and approved by the Board of Directors of the company as its meeting held on 14th February, 2022 and limited review of the same have been carried out by the Statutory Auditors.
- 2 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. The company has been legally advised that total amount due to the lending company is the decree amount along with additional interest on the suit filed amount from the date of decree till the date of payment/settlement. Accordingly total amount due to the "Lending Company" as per the decree as on 31st December 2021, together with interest is Rs.830.86 Crores (inclusive of interest Rs. 2.35 Crs. for the quarter). The company had previously calculated interest on the part amount of decree from the date of decree to the date of payment /settlement of one decree and in other decree at quarterly rest instead of simple interest annually.
- 3 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 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 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 31st December 2021 aggregating to appx Rs 1.48 Crs (including interest), inclusive of 0.02 Crs. for this quarter, is not provided for.
- 4 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.
- 5 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.
- 6 There are no exceptional and extra-ordinary items
- 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 : 14TH FEBRUARY 2022

MR. NANDKISHOR YASHANT JOSHI
DIRECTOR
DIN NO. 09324612



Membership No.
40170

