



**Mackinnon Mackenzie
& Company Ltd.**

**65th
Annual Report
2015 - 2016**

**65TH ANNUAL REPORT
2015 - 2016**

MACKINNON MACKENZIE & CO. LTD.

BOARD OF DIRECTORS

Captain N.B. Jamnerkar – Independent Director
Abbas Lakdawalla – Independent Director
S.V. Borate – Independent Director
Anuja Paranjape – Independent Director

BANKERS

Bank of India
Vijaya Bank

AUDIT COMMITTEE

Captain N.B. Jamnerkar
S.V. Borate
Anuja Paranjape

**NOMINATION & REMUNERATION
COMMITTEE**

Captain N.B. Jamnerkar
S.V. Borate
Anuja Paranjape

STAKEHOLDERS COMMITTEE

Captain N.B. Jamnerkar
S.V. Borate
Anuja Paranjape

ADVOCATES AND SOLICITORS

Maneksha & Sethna, Mumbai

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REGISTERED OFFICE

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

**REGISTRAR AND
SHARE TRANSFER AGENTS**

Satellite Corporate Services Pvt. Ltd.
Address: B-302 Sony Apartment,
Opp. St Jude High School, 90 Feet Road,
Jarimari, Sakinaka, Mumbai-400072.
Tel. : 91-22-28520461, 28520462
Fax : 91-22-28511809
E-mail : service@satellitecorporate.com

AUDITORS

M/s. Sachin P. Mulgaokar & Co.
Chartered Accountants
Mumbai

65TH ANNUAL GENERAL MEETING

On Thursday 29th September 2016 at
10.00 A.M. at M. C. Ghia Hall, Bhogilal
Hargovindas Building, 18/20,
K. Dubash Marg, 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

NOTICE is hereby given that the 65th Annual General Meeting of the Shareholders of Mackinnon Mackenzie And Co Limited will be held on Thursday, the 29th September, 2016 at 10:00 a.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, 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 2016 including the Audited Balance Sheet as at 31st March 2016 and Statement of Profit and Loss for the year ended on that date along with the Reports of the Board of Directors and Auditors thereon.

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

“RESOLVED THAT pursuant to the provision of the Companies Act, 2013 read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 including any statutory modification (s) or re-enactment thereof for the time being in force, the appointment of **M/s. Sachin P. Mulgaokar & Co, Chartered Accountants**, [ICAI registration number 108945W], as the Auditors of the Company till the conclusion of the Annual General Meeting to be held in the year 2017 which was subject to ratification of their appointment at every AGM, be and is hereby ratified to hold office from the conclusion of this meeting until the conclusion of the Next 66th Annual General Meeting on such remuneration as may be determined by the Board of Directors.”

SPECIAL BUSINESS

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

“RESOLVED THAT pursuant to the provisions of Section 94, other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any amendment thereto or enactment thereof for the time being in force), consent of the Company be and is hereby accorded to keep the Register and Index of Members and copies of all Annual Returns under Section 92 of the Companies Act, 2013 together with the copies of certificates and documents required to be annexed thereto or any other documents as may be required, at the office of the Registrar and Share Transfer Agent of the Company viz. Satellite Corporate Services Pvt. Ltd. having address at B-302 Sony Apartment, Opp. St Jude High School, 90 Feet Road, Jarimari, Sakinaka, Mumbai-400072 or any other its office or place within Mumbai, instead of the Registered Office of the Company.”

“RESOLVED FURTHER THAT the Board of Directors or any Committee thereof of the Company be and are

hereby authorized to do all such things and take all such actions as may be required from time to time for giving effect to the above resolution and matters related thereto.”

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

CAPT. N.B. JAMNERKAR
DIRECTOR
DIN: 00012293

Place: Mumbai
Dated: 25th August 2016

NOTES:

- 1) 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 and in the Explanatory Statements 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

- 21st September 2016 to 29th September 2016 (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.
 - 10) 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.
 - 11) 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.
 - 12) 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.
 - 13) 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.
- 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.
 - 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 "RESOLUTIONS 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.

PROCESS FOR MEMBERS OPTING FOR REMOTE E-VOTING

Voting through electronic means

In case of members receiving e-mail:

- i. The Company is providing 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 Sunday, 25th September, 2016 at 9.00 a.m. and ends on Wednesday, 28th September, 2016 at 5.00 p.m. During this period shareholder's of the Company, holding shares as on the cut-off date (Record Date) of Tuesday, 20th September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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- 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 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.
 - 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 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, under help section or write an email to 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 Tuesday, 20th September, 2016 and as per the Register of Members of the Company.
3. Miss. Vyoma Desai, Practicing Company Secretary, 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 and on the website of CDSL www.evotingindia.com within two days of the passing of Resolutions at the 65th AGM of the Company and communicated to BSE Limited, where the shares of the Company are listed.

STATEMENT ANNEXED TO THE NOTICE

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

ITEM NO. 3.

As required under the provisions of Section 94 the Companies Act, 2013, certain Documents such as the Register of Members, Index of Members and certain other Registers, Certificates, Documents etc., are required to be kept at the Registered Office of the Company. However, these Documents can be kept at any other place within the City, Town or Village in which the Registered Office is situated or any other place in India in which more than one-tenth of the total Members entered in the Register of Members reside, if approved by a Special Resolution passed at a General Meeting of the Company.

Accordingly, the approval of the Members is sought in terms of Section 94(1) of the Companies Act, 2013, for keeping the aforementioned Registers and Documents at the Office of the Registrar and Transfer Agent ("RTA") viz. Satellite Corporate Services Private Limited having address at B-302 Sony Apartment, Opp. St Jude High School, 90 Feet Road, Jarimari, Sakinaka, Mumbai-400072 or any other Office or Place within Mumbai.

A copy of the proposed Resolution is being forwarded in advance to the Registrar of Companies, Mumbai, as required under the said Section 94 (1) of the Companies Act, 2013.

The Directors recommend the said Resolution proposed vide Item No. 3 to be passed as Special Resolution by the members.

None of the Directors, Key Managerial Personnel of the Company, and/or their relatives may be deemed to be concerned or interested in the said Resolution.

By Order of the Board of Directors
For **Mackinnon Mackenzie & Company Limited**

CAPT. N. B. JAMNERKAR
DIRECTOR
(DIN: 00012293)

Place: Mumbai
Dated: 25th August 2016

DIRECTOR'S REPORT

To
The Members:

Your Directors have pleasure in presenting the 65th Annual Report on the business and operations of the Company with the Audited Accounts for the year ended 31st March 2016.

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

Particulars	For the Year Ended 31.03.2016 (Rupees in Lakhs)	For the Year Ended 31.03.2015 (Rupees in Lakhs)
Sales & other Income	30.23	24.67
Total Expense	(83.77)	(135.07)
Profit / (Loss) before Depreciation, Interest & Tax	(53.54)	(110.40)
Less: Depreciation	2.00	2.63
Interest	0.63	0.62
Profit/(loss) before Taxation	(56.17)	(113.65)
Less: Provision for taxation	--	--
- Current Tax	--	--
- Deferred Tax	--	--
- Wealth Tax	--	--
Profit/(loss) after Tax	(56.17)	(113.65)
Balance b/f from previous year	(83573.18)	(83459.53)
Amount available for Appropriation	--	--
Appropriations:	--	--
Transfer to General Reserve	--	--
Balance c/f to Balance sheet	(83629.35)	(83573.18)

2. DIVIDEND:

In view of the losses suffered by the Company, your Directors do not recommend any Dividend for the year under review.

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 one of the Bank Suits which was transposed in the name of a Company came up for hearing from time to time from August 2014. On 16th February 2015 a Preliminary Decree was passed and Mackinnon Mackenzie was directed to intimate the quantum of the debts owed by it to the Company. Subsequently the Hon'ble Bombay High Court passed a Final Decree on 15th April 2015 in favour of that Company for a sum of Rs. 686.30 Crores. The Creditor Company was permitted to dispose off / sell the two immovable properties towards recovery of decreed amount. Your Directors further report that a Curative Petition in the matter of Labour case is still pending before the Supreme Court. Also various cases under FEMA and other Commercial laws continues at various level and remain sub-judice.

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 done any Investment in Joint Venture.

9. DEPOSITS

Your Company has not accepted any Deposits from the public, or its employees during the year under review.

10. STATUTORY AUDITORS:

The Members of the Company had, at the 64th Annual General Meeting (AGM) held on 30th September 2015 approved the appointment of M/s. Sachin P. Mulgaokar & Co, Chartered Accountants, [ICAI registration number 108945W] as Statutory Auditors of the Company to hold office from the conclusion of that AGM until the conclusion of 66th AGM held thereafter (subject to ratification of the appointment by the Members at every AGM held after the abovesaid AGM).

Rule 3 (7) of the Companies (Audit and Auditors) Rules, 2014 states that appointment of the Auditor shall be subject to ratification by the members at every Annual General Meeting till the expiry of the term of the Auditor.

In view of the above, the existing appointment of M/s. Sachin P. Mulgaokar & Co, Chartered Accountants, [ICAI registration number 108945W] covering the period from the conclusion of this ensuing AGM until the conclusion of the next AGM is being placed for members ratification.

11. SECRETARIAL AUDIT REPORT:

The Secretarial Audit Report has been issued by CS Vyoma Desai, Practicing Company Secretary after examining the registers, records, books and accounts for the year ending 31st March 2016. The Secretarial Audit Report is attached to this Report as Annexure I.

It contains following qualifications in Secretarial Audit Report.

- (a) As required under Section 203(1) of the Companies Act, 2013, the Company has failed to appoint Key Managerial Personnel in the Company.
- (b) As required under Section 138 of the Companies Act, 2013 Company has failed to appoint Internal Auditor in the Company.
- (c) The Company has not maintained all Statutory Registers in new format as prescribed under Companies Act 2013.
- (d) The Company has not maintained all Statutory Registers in Electronic form as prescribed under Companies Act 2013.
- (e) The Company has failed to Demat its Equity Shares.
- (f) The Company has various cases pending under Foreign Exchange Management Act, 1999 which are pending for final orders.
- (g) The Supreme Court passed Order against the Company in the matter of labour Case for which company has appealed before the court.
- (h) As required under various Sections of the Companies Act and Listing Regulations, the Company has failed to post various information, policies on the website of the Company.
- (i) As required under the Listing Agreement Company has failed to issue and circulate Corporate Governance Report.
- (j) Company has failed to appoint Registrar and Transfer Agent.
- (k) Company has failed to publish its quarterly financial results in newspaper including various other requirements as required under Listing Agreement.
- (l) Company's Script remains to be suspended from BSE.
- (m) Company has been arrears for Listing fees with Delhi Stock Exchange and Calcutta Stock Exchange.
- (n) Company has failed to adopt code on (PROHIBITION OF INSIDER TRADING) REGULATIONS, 1992.
- (o) The Company has failed to give the option of e-voting to its Members at Annual General Meeting for 2015.
- (p) Independent Directors Meeting not held during the year since there are no Executive Directors in the Company.

Your Directors report that due to financial losses and lack of adequate Professional staff the Company was unable to comply all the above Compliances. However the Company is in process for appointing Key Managerial Personnel once suitable and if any willing candidate agree to join the Company. Since the headline in the Company has been a few Compliances of Stock Exchange and SEBI remains to be complied. However the Board of Directors have spared no efforts and have Complied with major requirements in the given constraint circumstances

12. 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 Item 28 of notes to Financial Statements with Balance Sheet and Profit and Loss Statement.

13. SHARE CAPITAL

During the year under review, the existing Paid Up Equity Share Capital of the Company consisting of 24,72,225 (Twenty Four Lakhs Seventy Two Thousand Two Hundred Twenty Five Only) Equity Shares of Re. 1/- each were divided into 2,47,222 (Rounded off to nearest figure) (Two Lakhs Forty Seven Thousand Two Hundred Twenty Two Only) Equity Share of Rs. 10/- each by consolidating in such a manner that every Ten of the existing shares of Rs. 1/- each constituted one share of Rs. 10/- each fully paid up. As a consequence of Consolidation of the Face Value of the Equity Shares, the Share Capital of your Company stands altered but the total valuation of the Paid Up Equity Share Capital remains constant.

14. EXTRACTS OF THE ANNUAL RETURN

The Extract of the Annual Return in prescribed Form MGT-9 is annexed hereto as Annexure II forms part of this Report.

15. 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/-

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

There has been no change in the Directors of the Company during the year under review. The Company has failed to appoint KMP.

The Company was required to appoint a Whole-Time Company Secretary, however it has yet not been able to find the candidature to meet their requirements. The Company is still under the process of recruiting the same.

17. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

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

20th April 2015, 28th May 2015, 31st July 2015, 30th October 2015 and 28th January 2016

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

18. 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.

19. DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received necessary declaration from each Independent Director 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.

20. RE-APPOINTMENT OF DIRECTORS:

The Company's Board of Directors consists of all Non-Executive Independent Directors who are not liable to retire by rotation.

21. COMMITTEES OF BOARD:

NAME OF COMMITTEE	COMPOSITION	HIGHLIGHTS OF DUTIES, RESPONSIBILITIES AND ACTIVITIES
Audit Committee	Capt. N. B. Jamnerkar (Independent Director) Mr. Sampat Borate (Independent Director) Mrs Anuja Paranjape (Independent Director)	All the recommendations made by the Audit Committee will be accepted by the Board.
Nomination and Remuneration Committee	Capt. N. B. Jamnerkar (Independent Director) Mr. Sampat Borate (Independent Director) Mrs Anuja Paranjape (Independent Director)	Since there are no Executive Directors, hence the Committee has a limited role to play.
Stakeholders Committee	Capt. N. B. Jamnerkar (Independent Director) Mr. Sampat Borate (Independent Director) Mrs Anuja Paranjape (Independent Director)	To review the Investor Complaints and approve the transfer of shares.

22. REGISTRAR AND SHARE TRANSFER AGENT

The Board of Directors of your Company in their Meeting held on 25th August 2016 has appointed Satellite Corporate Services Private Limited having its registered address at B-302 Sony Apartment, Opp. St Jude High School, 90 Feet Road, Jarimari, Sakinaka, Mumbai-400072 as Registrar and Transfer Agents of the Company.

23. INTERNAL CONTROL SYSTEMS

As there is no significant business activities hence there was no systems set up for Internal Controls.

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

Since there are no women employees in the Company therefore the provision is not applicable.

25. VIGIL MECHANISM

As the Company does not have any significant business activity, hence the Company is yet to adopt a Vigil Mechanism Policy.

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

During the year the Company has not taken or given any Loans, Guarantees or investments covered under section 186 of the Companies Act, 2013.

27. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

During the year the Company has not entered into any Related Party Transactions.

28. MANAGERIAL REMUNERATION:

During the period the Company has not paid any remuneration as all its Directors are Non-Executive Independent Directors.

29. 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.

30. 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.

31. 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

32. 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 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.

33. ACKNOWLEDGEMENTS

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

Place: Mumbai

Dated: 25th August 2016

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
CAPT. N. B. JAMNERKAR
CHAIRMAN
DIN: 00012293**

**ANNEXURE I TO BOARDS REPORT
FORM MR-3**

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2016

[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 & COMPANY LIMITED.

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 on 31st March, 2016. 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 2016 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 2016 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;
 - (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;
 - (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).
6. 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 203(1)of the Compaies Act, 2013, the Company has failed to appoint Key Managerial Personnel in the Company.
- (b) As required under Section 138 of the Companies Act, 2013 Company has failed to appoint Internal Auditor in the Company.
- (c) The Company has not maintained all Statutory Registers in new format as prescribed under Companies Act 2013.
- (d) The Company has not maintained all Statutory Registers in Electronic form as prescribed under Companies Act 2013.
- (e) The Company has failed to Demat its Equity Shares.
- (f) The Company has various cases pending under Foreign Exchange Management Act, 1999 which are pending for final orders.
- (g) The Supreme Court passed Order against the Company in the matter of labour Case for which company has appealed before the court.
- (h) As required under various Sections of the Companies Act and Listing Regulations,the Company has failed to post various information,policies on the website of the Company.

-
- (i) As required under the Listing Agreement Company has failed to issue and circulate Corporate Governance Report.
 - (j) Company has failed to appoint Registrar and Transfer Agent.
 - (k) Company has failed to publish its quarterly financial results in newspaper including various other requirements as required under Listing Agreement.
 - (l) Company's Script remains to be suspended from BSE.
 - (m) Company has been arrears for Listing fees with Delhi Stock Exchange and Kolkota Stock Exchange.
 - (n) Company has failed to adopt code on (PROHIBITION OF INSIDER TRADING) REGULATIONS, 1992.
 - (o) The Company has failed to give the option of e-voting to its Members at Annual General Meeting for 2015.
 - (p) Independent Directors Annual Review Meeting not held during the year since there are no Executive Directors in the Company.

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 is constituted with all Non-Executive Independent Directors. 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 and 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

However, the Company has in its previous 64th Annual General Meeting passed a Special Resolution for Consolidation of the Face Value of the Equity Shares and accordingly the Share Capital of the Company stands altered.

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: 23rd August 2016

VYOMA DESAI
Practicing Company Secretary
ACS : 42543 CP No: 15771

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

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

TO THE MEMBERS OF M/s. MACKINNON MACKENZIE & COMPANY LIMITED.

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 followed provide a reasonable basis for our 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. Our 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: 23rd August 2016

VYOMA DESAI
Practicing Company Secretary
ACS : 42543 CP No: 15771

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

For the year ended on 31st March 2016
 [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
(vi)	Whether listed Company or not Yes/ No	YES
(vii)	Name, Address and Contact Details of Registrar and Transfer Agent, if any:	SATELLITE CORPORATE SERVICES PVT. LTD. B-302 Sony Apartment, Opp. St Jude High School, 90 Feet Road, Jarimari, Sakinaka, Mumbai-400072 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
			NIL		

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-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A) PROMOTERS									
1. Indian									
a) Individual / HUF									
b) Central Govt									

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% 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									
2. Foreign									
a) NRI-Individuals									
b) Other-Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any other									
Total Shareholding of Promoter (A)									
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI	--	1,97,800	1,97,800	8.00	--	19,780	19,780	8.00	No Change
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies	--	2,58,800	2,58,800	10.47	--	25,880	25,880	10.47	No Change
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
2. Non-Institutions									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals		13,22,850	13,22,850	53.51		1,32,285	1,32,285	53.51	No Change
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh		6,92,775	6,92,775	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-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% 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									
Total Public Shareholding (B)		20,15,625	20,15,625	81.53		2,01,562	2,01,562	81.53	No Change
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)		24,72,225	24,72,225	100		2,47,222	2,47,222	100	No Change

N.B. Only change is Face Value of Paid Up Equity Shares from Re. 1/- to Rs. 10/- on Consolidation of Shares.

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 Hodlings& Trading Co.Ltd.				
	At the beginning of the year	2,50,000	10.11	2,50,000	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	2,50,000	10.11	2,50,000	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	2,50,000	10.11	2,50,000	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	2,50,000	10.11	2,50,000	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	1,92,250	7.78	1,92,250	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	1,00,000	4.04	1,00,000	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	98,900	4.00	98,900	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	81,700	3.30	81,700	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	68,100	2.75	68,100	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	54,450	2.20	54,450	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

N.B. Only change is Face Value of Paid Up Equity Shares from Re. 1/- to Rs. 10/- on Consolidation of Shares.

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
Indebtedness at the beginning of the financial year	8,25,61,29,338			8,25,61,29,338
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	8,25,61,29,338			8,25,61,29,338
Change in Indebtedness during the financial year				
* Addition				
* Reduction				
Net Change				
Indebtedness at the end of the financial year	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				
Total (i+ii+iii)	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	Captain N.B. Jamnerkar	Abbas Lakdawalla	S.V. Borate	Anuja Paranjape	
	Fee for attending board committee meetings	250	250	250	250	1000
	Commission					
	Others, please specify					
	Total (1)	250	250	250	250	1000
2	Other Non-Executive Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	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

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF M/s. MACKINNON MACKENZIE & COMPANY LIMITED.

Report on the Financial Statements

We have audited the accompanying financial statements of **MACKINNON MACKENZIE & COMPANY LIMITED** ("the company") which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matter stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statement based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Order under section 143(11) of the Act.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the company's Directors, as well as evaluating the overall preparation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements

Basis for Qualified Opinion

As mentioned in Note 10 (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 such, we are unable to express an opinion as to the effect of financial statements for the year.

As mentioned in Note 29 of the financial statements 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.

As mentioned in Note 15 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. As a result the effect of non-provision on the loss for the year cannot be ascertained. As such, we are unable to express an opinion as to the effect of financial statements for the year.

As mentioned in Note 7 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 a

result, the effect of such write back, if any on the loss for the year cannot be ascertained. As such, we are unable to express an opinion as to the effect of financial statements for the year.

As mentioned in Note 8 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 a result, the effect of such write back, if any on the loss for the year cannot be ascertained. As such, we are unable to express an opinion as to the effect of financial statements for the year.

As mentioned in Note 5 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 2016 However no confirmations are available from Bank and the Company which has taken over the Debt for the same. We are therefore unable to comment on the effect of the same if any on secured loans due to Company which has taken over the Debt and the debit balance of Surplus in Statement of Profit & Loss Account as at 31st March 2016. As such, we are unable to express an opinion as to the effect of financial statements for the year.

As mentioned in Note 30 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 5,7,8,10, 13, 14 and 15 of the accounts respectively. As such, we are unable to express an opinion as to the effect of financial statements for the year.

As mentioned in Note 24 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 a result the effect of on the loss for the year and debit balance of Surplus in Statement of Profit & Loss Account as at 31st March 2016 cannot be ascertained As such, we are unable to express an opinion as to the effect of financial statements for the year.

As mentioned in Note 7 of the financial statements, regarding non compliance of requirements under Micro, Small and Medium Enterprise Development Act, 2006 in absence of information available with the company. As such, we are unable to express an opinion as to the effect of financial statements for the year.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2016, and its loss for the year ended on that date:

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement of the matters specified in paragraphs 3 and 4 of the Order.
2. 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 purpose 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;
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account

- d. Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. The matter described in the Basis for Qualified Opinion paragraph above, in our opinion may have an adverse effect on the functioning of the company.
- f. On the basis of written representation received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
- g. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
- h. 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 B".
- i. With respect to the other matter to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 Hon Bombay High Court has approved the application for banks for transfer of debts owed to them along with the securities and mortgage charges in the past. Consequently suits filed by the banks before the Debt Recovery Tribunal had transposed the company in place of the banks. During the year one of the suits filed by the banks came for hearing before the said court. Subsequently, the Hon. Bombay High Court has passed a decree in favour of the company to dispose off/sell the the immovable property and Flats belonging to the company to recover its dues of Rs 686.30 crores. Total amount due to the company against debts of various banks taken over by them as on 31st March 2015 is 8,25, 61, 29,338.
 - b. The Hon. Supreme Court has dismissed the appeal of the company filed against the order of Hon. Bombay High Court in respect of retrenchment of certain workers and staff under the Industrial Dispute Act done in the past and has directed the company to comply with conditions of the award passed by the Industrial Court. The company had filed a review petition against the said order which has been dismissed. The company has filed a curative petition.
 - c. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - d. There were no amount which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Mumbai
Dated: 31st May 2016

For M/s. SACHIN P MULGAOKAR & CO.
CHARTERED ACCOUNTANTS
Firm Regn. No. : 108945W
(Sachin P Mulgaokar)
PROPRIETOR
Membership No : 40942

Annexure “A” to the Independent Auditor’s Report.

[Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date]

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records, the title deeds of immovable properties are held in the name of the company. In respect of the assignment of Leasehold and Building in favour of the company 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.
- 2) As the company is carrying on agency business paragraph 3(ii) of the order is not applicable.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnership or other parties covered in the Register maintained under section 189 of the Act.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5) According to the information and explanations given to us, the company has not accepted any deposit during the year.
- 6) As informed to us, the maintenance of Cost records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect to the activities carried on by the company.
- 7) (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, 2016 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 2016 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.

- 8) 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.
- 9) 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.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company and no material fraud on the company by its officers or employees has been noticed or reported during the year.
- 11) As the company has not paid any Managerial Remuneration during the year, provisions of paragraph 3(xi) of the Order are not applicable.
- 12) In our opinion, the company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- 15) In our opinion and according to the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with them.
- 16) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

For **M/s. SACHIN P MULGAOKAR & CO.**
 CHARTERED ACCOUNTANTS
 Firm Regn. No. : 108945W
 (Sachin P Mulgaokar)
 PROPRIETOR
 Membership No : 40942

Place: Mumbai
Dated: 31st May 2016

Annexure “B” to the Independent Auditor’s Report.

Report on the Internal Financial Control 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 & COMPANY LIMITED (“the Company”) as of March 31, 2016 in conjunction with our audit of the 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 control 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 control 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”) and the standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 evidences about the adequacy of the internal financial control 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 judgment, 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 Control 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 presentation of 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 recorded as necessary to permit preparation of financial statement in accordance with generally accepted accounting principles, and that receipt and expenditures of the company are being made only in accordance with authorizations 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 limitation of internal financial control 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 control over financial reporting to future period 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 the information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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.

Place: Mumbai
Dated: 31st May 2016

For M/s. SACHIN P MULGAOKAR & CO.
CHARTERED ACCOUNTANTS
Firm Regn. No. : 108945W
(Sachin P Mulgaokar)
PROPRIETOR
Membership No : 40942

BALANCE SHEET AS AT 31ST MARCH 2016

Particulars	Note No.	As at 31 March, 2016 Rs.	As at 31 March, 2015 Rs.
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	24,72,225	24,72,225
Reserves and surplus	4	(8,34,33,74,474)	(8,33,77,57,081)
Non-Current Liabilities			
Long Term Borrowings	5	8,25,61,29,338	8,25,61,29,338
Long Term Provisions	6	24,80,160	37,56,158
Current Liabilities			
Trade Payables	7	10,66,04,434	9,88,14,470
Other Current Liabilities	8	4,65,18,229	4,67,38,335
TOTAL		<u>7,08,29,912</u>	<u>7,01,53,444</u>
ASSETS			
Non-Current Assets			
Fixed assets			
Tangible assets	9	17,64,638	19,65,391
Non-Current Investments	10	3,07,120	3,07,120
Long-term loans and advances	11	-	-
Other Non-Current assets	12	3,88,201	67,84,838
Current Assets			
Trade receivables	13	5,41,83,602	5,35,25,427
Cash and cash equivalents	14	68,59,714	11,39,236
Short-term loans and advances	15	61,58,561	59,01,520
Other Current Assets	16	11,68,076	5,29,912
TOTAL		<u>7,08,29,912</u>	<u>7,01,53,444</u>

The notes are an integral part of the financial statements

As per our report attached of even date

For **Sachin P Mulgaokar & Co**

Firm Registration Number 108945W

Chartered Accountants

Sachin Mulgaokar

Proprietor

Place : Mumbai

Date : 31st May 2016

For and on behalf of the Board of Directors

Capt N.B. Jamnerkar

Director

Place : Mumbai

Date : 31st May 2016

Mr. Sampat V. Borate

Director

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2016

Particulars	Note No.	As at 31 March, 2016 Rs.	As at 31 March, 2015 Rs.
Revenue from Operations	17	20,49,211	15,14,836
Other income	18	9,74,174	9,51,845
Total Revenue		30,23,385	24,66,681
Expenses			
Employee Benefits Expense	19	4,10,202	21,73,971
Finance Cost	20	62,925	62,018
Depreciation and Amortisation expense	9	2,00,753	2,62,912
Other expenses	21	79,66,897	1,06,24,026
Total expenses		86,40,777	1,31,22,927
(Loss) before prior period expense		(56,17,392)	(1,06,56,246)
Prior Period Expense (Net)		-	7,09,000
Profit / (Loss) before tax		(56,17,392)	(1,13,65,246)
Tax expense:			
(a) Current tax expense for current year		-	-
(e) Deferred tax		-	-
Loss for the year		(56,17,392)	(1,13,65,246)
Earnings per share Basic/Diluted (Face Value of Rs 1/- each):		-22.72	-4.60

The notes are an integral part of the financial statements

As per our report attached of even date

For **Sachin P Mulgaokar & Co**

Firm Registration Number 108945W

Chartered Accountants

Sachin Mulgaokar

Proprietor

Place : Mumbai

Date : 31st May 2016

For and on behalf of the Board of Directors

Capt N.B. Jamnerkar

Director

Place : Mumbai

Date : 31st May 2016

Mr. Sampat V. Borate

Director

Notes to Financial Statements for the year ended 31st March 2016

1 General Information: Mackinnon Mackenzie & Co Ltd is engaged in the business of shipping agency, ship handling, ship manning, managing pension funds , cargo handling and property owning and leasing

2 Significant Accounting Policies

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis and comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous years.

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 the Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of asset for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle to be 12 months for the purpose of current and non-current classification of assets and liabilities. The significant accounting policies adopted in the presentation of the financial statements are as under:-

i) **Revenue Recognition:** Revenues are recognised on accrual basis.

ii) **Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires judgements, estimates and assumptions to be made by the Management that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reported period. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Differences between actual results and estimates are recognised in the period in which the results are known/materialized.

iii) **Fixed Assets**

Tangible Assets

All Tangible assets are stated at cost of acquisition less accumulated depreciation.

iv) **Method of Depreciation and Amortisation :**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation is provided on written down value method over the estimated useful life of the assets. Effective 1st April 2014, the company depreciates its fixed assets over the useful life in the manner prescribed in Schedule II of the Companies Act, 2013, as against the earlier practice of depreciating at the rates prescribed in Schedule XIV of the Companies Act, 1956.

<u>Nature of Asset</u>	<u>Useful Lives (in years)</u>
Building	60
Furniture & Fittings	10
Plant & Machinery	15
Office equipment	5

Depreciation on additions to assets or on a sale/discardment of assets, is calculated pro rata from the date of such addition or up to the date of such sale/discardment, as the case may be.

v) **Foreign Currency Transactions**

i) Transactions in Foreign Exchange are recorded at the exchange rates prevailing on the date of realisation

ii) Current Assets and Liabilities balances in foreign currency at the date of Balance Sheet are translated with reference to year and exchange rates, the loss/gain , on such translation is accounted for in the Profit & Loss Account

vi) **Retirement Benefits**

i) **Defined Contribution Plans:** The company's contribution in respect of Provident Fund and Superannuation Fund is charged to Profit & Loss Account each year

-
- ii) Defined Benefit Plan/Long Term Compensated Absences: Provision for Gratuity has been made on arithmetical basis in respect of employees on the assumption that all employees retire on 31st March 2016. Provision for compensated absences has been made on arithmetic basis in respect of all employees

vii) Accounting for Provisions, Contingent Liabilities and Contingent Assets

Provision: Provisions are recognized when there is a present obligation as a result of a past event, where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets: Contingent Assets are neither recognized nor disclosed in the financial statements.

viii) Taxation

- i) Current Tax: No provision is made in view of the loss and carried forward loss
- ii) Deferred Tax: Net deferred tax asset has not been recognised by the company in view of uncertainty of future taxable income

x) Impairment of Assets:

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. When there is an indication that factors that caused an impairment loss to be recognized for an asset in prior accounting periods, no longer exist or that the intensity of impairment loss may have decreased, the impairment loss, to the extent no longer necessary to hold, is reversed.

x) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flows for the year are classified by operating, investing and financing activities.

xi) Earnings per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Notes to Financial Statements for the year ended 31st March 2016

Particulars	As at 31 March, 2016 Rs.	As at 31 March, 2015 Rs.
3. SHARE CAPITAL		
Authorised Shares		
400,00,000 (400,00,000) Equity shares of Rs 1 each	4,00,00,000	4,00,00,000
	4,00,00,000	4,00,00,000
Issued , Subscribed and Paid Up Shares		
24,72,225 (24,72,225) Equity shares of Rs 10 each	24,72,225	24,72,225

a) Reconciliation of number of shares

Equity Shares

Particulars	March 31, 2016		March 31, 2015	
	No of shares	Rs.	No of shares	Rs.
At the beginning of the year	2,47,223	24,72,225	24,72,225	24,72,225
Addition during the year	-	-	-	-
Deletion during the year	-	-	-	-
At the end of the year	2,47,223	24,72,225	24,72,225	24,72,225

*During the year the company has consolidated the Equity Shares from Rs 1 to Rs 10

b) Details of Shareholders holding more than 5% shares in the company

Particulars	March 31, 2016		March 31, 2015	
	No of shares	% Holding	No of shares	% Holding
Abad Transport Private Ltd.	25,000.00	10.11	2,50,000.00	10.11
Belmont Holdings & Trading Co. Ltd.	25,000.00	10.11	2,50,000.00	10.11
Elaster Investments & Trading Co.Ltd.	25,000.00	10.11	2,50,000.00	10.11
Zodiac Holdings & Trading Co. Ltd.	25,000.00	10.11	2,50,000.00	10.11
Mackinnons Abad Shipping Ltd.	19,225.00	7.78	1,92,250.00	7.78

Rights, preferences and restrictions attached to shares

- c) 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
- d) Fully paid Equityshares pursuant to contract
- | | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|--|---------|---------|---------|---------|---------|
| without payment being received in cash | 99,993 | 99,993 | 99,993 | 99,993 | 99,993 |
- e) 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

Notes to Financial Statements for the year ended 31st March 2016

Particulars	As at 31 March, 2016 Rs.	As at 31 March, 2015 Rs.
4. RESERVES AND SURPLUS		
(a) CAPITAL RESERVE		
As per Last Balance Sheet	1,12,46,274	1,12,46,274
(b) GENERAL RESERVE		
As per Last Balance Sheet	82,80,748	82,80,748
Less: Transferred to Debit Balance in Surplus in Profit & Loss Statement	82,80,748	82,80,748
Closing Balance	-	-
(c) SURPLUS IN STATEMENT OF PROFIT & LOSS		
As per last Balance Sheet	(8,35,72,97,992)	(8,34,59,52,781)
Loss for the year	(56,17,392)	(1,13,65,246)
	<u>(8,36,29,15,384)</u>	<u>(8,35,73,18,027)</u>
Less: Balance in General Reserve	82,80,748	82,80,748
Less: Additional Depreciation pursuant to enactment of schedule II of the Companies Act 2013	-	20,035
Closing Balance	<u>(8,35,46,34,636)</u>	<u>(8,34,90,17,243)</u>
Amount paid on forfeited shares	13,888	13,888
TOTAL	<u>(8,34,33,74,474)</u>	<u>(8,33,77,57,081)</u>
5. LONG TERM BORROWINGS		
Secured		
From Others	8,25,61,29,338	8,25,61,29,338
(Secured by way of pledge of certain investments, hypothecation of book debts and mortgage of all immovable properties)		
TOTAL	<u>8,25,61,29,338</u>	<u>8,25,61,29,338</u>

Note:

The Hon'able Bombay High Court has approved the application of the banks for transfer of debts owed by the company to them to M/s Ardeshir B Cursettjee & Sons Ltd (hereinafter referred to A.B.C & Sons Ltd,) along with securities and mortgage charges in the past Consequently suits filed by the banks pending before the Debt Recovery Tribunal has transposed M/s A.B.C & Sons Ltd in place of the banks. During the year one of the the suits filed by the banks came up for hearing before the Hon. Bombay High Court. Subsequently the Hon. Bombay High Court has passed a decree in favour of the company to dispose off/sell the immoveable property and flats belonging to the company to recover its dues of Rs 686.30 crores Keeping in mind the financial position of the company and inability of repaying the amount, no further entries are passed in the books for the balance amount due Rs 422.05 crores in respect of the said suit. Total amount due to M/s A.B. C & Sons Ltd against debts of various banks taken over by them as on 31st March 2015 is Rs 8,25,61,29,338. (Previous Year Rs 8,25,61,29,338) and no interest has been provided thereon

Notes to Financial Statements for the year ended 31st March 2016

Particulars	As at 31 March, 2016 Rs.	As at 31 March, 2015 Rs.
6. LONG TERM PROVISIONS		
Provision for Employees Benefits: All Unfunded		
(a) Contribution to Superannuation Fund	-	12,20,939
(b) Gratuity	14,62,500	13,24,039
(c) Leave Encashment	10,17,660	12,11,180
TOTAL	24,80,160	37,56,158
7. TRADE PAYABLES (See Notes below)	10,66,04,434	9,88,14,470
TOTAL	10,66,04,434	9,88,14,470

Note:

- (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
- (b) In view of the multiplicity and identification of accounts relating to small scale undertakings, information for determining the particulars relating to current indebtedness to such undertakings is not readily available
- (c) 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

8. OTHER CURRENT LIABILITIES

(a) Advances from Customer (See Note below)	2,09,80,091	2,09,80,091
(b) Amount held for principals (See Note below)	55,66,558	55,55,711
(c) Advances from Tenants	84,51,449	84,51,449
(d) Security Deposits	65,22,776	65,22,776
(e) Other Advances	49,00,000	49,00,000
(f) Service Tax Payable	3,434	1,37,900
(g) TDS Payable	93,921	1,90,408
TOTAL	4,65,18,229	4,67,38,335

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

Notes to Financial Statements for the year ended 31st March 2016

9. FIXED ASSETS

	GROSS BLOCK AT BOOK VALUE				DEPRECIATION				NET BLOCK	
	As at 01.04.2015	Additions during the year	Deductions during the year	As at 31.03.2016	As at 01.04.2015	For the year	Deductions during the year	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015
Tangible Asset	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1. Land & Buildings On Leasehold Land	98,21,508	-	-	98,21,508	84,58,833	67,793	-	85,26,626	12,94,882	13,62,675
2. Furniture & Fittings	3,13,118	-	-	3,13,118	2,97,592	-	-	2,97,592	15,526	15,526
3. Office Equipments	2,05,245	-	-	2,05,245	1,94,114	786	-	1,94,900	10,345	11,131
4. Plant & Machinery	20,78,843	-	-	20,78,843	15,02,784	1,32,174	-	16,34,958	4,43,885	5,76,059
TOTAL	1,24,18,714	-	-	1,24,18,714	1,04,53,323	2,00,753	-	1,06,54,076	17,64,638	19,65,391
Previous Year	1,24,18,714	-	-	1,24,18,714	1,02,10,446	2,62,912	20,035	1,04,53,323	19,65,391	

Notes

For rate of depreciation refer note number 2

10. Non-Current Investments

	Unit Face Value	Number	As at 31 March, 2016 Rs.	As at 31 March, 2015 Rs.
Trade Investment (At Cost, Unless Otherwise stated) UNQUOTED Equity				
Hill Properties Limited (A Class) (See note a below) (Rs 1,18,000 paid up per share)	1,20,000	2	2,36,000	2,36,000
Atlas Ores Mines & Mineral Pvt Ltd (In Liquidation)	100	200	20,000	20,000
Debenture				
Woodland Hospital and Medical Research Center Limited. East India Clinic	NA	NA		
Registered Mortgage Debenture 1952	NA	NA	12,000	12,000
5% Non-Redeemable Registered Debenture Stock 1959			35,000	35,000
Bengal Chamber of Commerce and Industry. 6.5% Non-Redeemable Registered	NA	NA	9,000	9,000

	Unit Face Value	Number	As at 31 March, 2016 Rs.	As at 31 March, 2015 Rs.
Debentures 1962				
Government Securities				
7 Year National Savings Certificates (See note b below)	NA	NA	5,000	5,000
5.5% LOAN 1995 (See note b below)	NA	NA	10,120	10,120
			3,27,120	3,27,120
Less: Provision in the diminution in the value of Non current investment			20,000	20,000
TOTAL			3,07,120	3,07,120
Aggregate amount of unquoted investments			3,27,120	3,27,120

Notes

- Investments include an amount of Rs 236000 representing equity shares in a co-operative society towards purchase of flat
- 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
- 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
- NA denotes not available

11. LOANS AND ADVANCES

(Unsecured and Considered Good, unless otherwise stated)

Other Loans & Advances: (Considered Doubtful)	1,17,59,495	1,17,59,495
Less: Provision	(1,17,59,495)	(1,17,59,495)
TOTAL	-	-

12. OTHER NON-CURRENT ASSETS

(a) Margin Deposit with Bank	3,79,656	67,76,293
(b) Interest Accrued on Investment	8,545	8,545
TOTAL	3,88,201	67,84,838

Notes to Financial Statements for the year ended 31st March 2016

Particulars	As at 31 March, 2016 Rs.	As at 31 March, 2015 Rs.
13. TRADE RECEIVABLES		
Unsecured		
(a) Debts Outstanding for a period exceeding six months from the date they are due for payment		
Considered Good	5,41,83,602	5,35,25,427
Considered Doubtful	1,96,20,764	1,96,20,764
	7,38,04,366	7,31,46,191
Less: Provision for Doubtful Debts	-1,96,20,764	-1,96,20,764
	5,41,83,602	5,35,25,427
(b) Other Debts		
Considered Good	0	0
TOTAL	5,41,83,602	5,35,25,427
14. CASH AND BANK BALANCES		
Current		
(a) Cash and Cash Equivalents		
(i) Balances in Bank		
In Current Account	1,40,558	8,01,047
(ii) Cash on Hand	2,066	17,737
(b) Other Bank Balances		
(i) In Margin Deposit	67,08,090	3,11,453
(ii) In Fixed Deposit	9,000	9,000
TOTAL	68,59,714	11,39,236
Non -Current		
Fixed Deposit with Banks with maturity of more than Twelve Months included in Note 12	3,79,656	67,76,293
15. SHORT TERM LOANS & ADVANCES		
Unsecured Considered Good		
(a) Advance Direct Taxes (Net of provisions)	18,58,439	16,48,275
(b) Other Loans & Advances	41,59,371	41,26,088
(c) Prepaid Expenses	1,40,751	1,27,158
TOTAL	61,58,561	59,01,520

Note:

Other Loans and Advances include 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.

Notes to Financial Statements for the year ended 31st March 2016

Particulars	As at 31 March, 2016 Rs.	As at 31 March, 2015 Rs.
16. OTHER CURRENT ASSETS		
Accrued Interest on Fixed Deposit	11,68,076	5,29,912
TOTAL	11,68,076	5,29,912
17. REVENUE FROM OPERATIONS		
(a) Sale of Services		
Commission and Service Charges	80,200	80,200
(b) Income from Property	19,69,011	14,34,636
TOTAL	19,69,011	15,14,836
18. OTHER INCOME		
(a) Interest		
(i) On Margin Deposit with Bank	7,09,074	6,58,068
(ii) On Income Tax Refund	-	28,677
(b) Miscellaneous Income	2,65,100	2,65,100
TOTAL	9,74,174	951,845
19. EMPLOYEES BENEFITS EXPENSES		
(a) Salaries and Wages	2,34,835	1,923,964
(b) Contributions to Provident & Other Funds	-	135,000
(c) Gratuity	1,38,461	68,739
(d) Staff Welfare Expense	36,906	46,268
TOTAL	4,10,202	2,173,971
20. FINANCE COSTS		
Interest-Others	62,925	62,018
TOTAL	62,925	62,018
21. OTHER EXPENSES		
(a) Power and fuel	33,030	37,172
(b) Water Charges	7,06,123	6,21,264
(c) Rent	1,25,184	3,01,313
(d) Rates & Taxes	8,52,785	2,16,215
(e) Insurance	2,08,921	1,89,253
(f) Repairs and maintenance - Buildings	2,78,692	2,21,900
(g) Repairs and maintenance - Others	2,00,696	26,910
(h) Communication	1,17,725	92,643

Notes to Financial Statements for the year ended 31st March 2016

(i) Travelling and Conveyance	3,39,438	5,73,949
(j) Legal and Professional	40,31,220	75,21,571
(k) Payments to auditors (Refer Note 22 below)	2,51,900	2,47,192
(l) Miscellaneous Expenses	8,21,184	5,74,643
TOTAL	79,66,897	10,624,026

22. DETAILS OF PAYMENT TO AUDITORS

(a) As Auditor		
(i) Audit Fees	2,29,000	2,24,720
(ii) For Other Services	22,900	22,472
TOTAL	2,51,900	2,47,192

23. RELATED PARTIES TRANSACTIONS

Director /Key Management Personnel: Mr P.K. Sinha Executive Director
 Details of remuneration to Key Management Personnel is disclosed in Note 24 below

24. MANAGERIAL REMUNERATION

Remuneration paid or provided in accordance with Section 198 of the Companies Act, 1956 to Executive Director included in Employees benefits expenses is as under

Salaries and Allowances	-	14,80,000
Contribution to Provident and Other Funds	-	1,35,000
Perquisites	-	-
Total	-	16,15,000

Included Rs 709000 for the previous year

Details of Employees Benefits as required by the Accounting Standard -15-Employees Benefits are as follows

Defined Contribution Plan

Contribution to Provident and Other Fund	-	1,35,000
--	---	----------

Defined Benefit Plan/Long Term Compensated Absences : 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 & 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

Notes to Financial Statements for the year ended 31st March 2016

Particulars	As at 31 March, 2016 Rs.	As at 31 March, 2015 Rs.
25. CONTINGENT LIABILITIES		
i) Claim not acknowledged as debts	77,25,910	77,25,910
(ii) (a) In respect of Income Tax Matters for the AY 2008-09 where the company is in appeal with the Commissioner of Income Tax (Appeals)		18,93,601
ii) Uncalled amounts on partly paid shares	4,000	4,000
iii) Guarantees issued by the Company's Bankers	3,60,000	3,60,000
iv) Retrenched staff		
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 month's notice pay in addition to other dues. The Industrial Court has given a judgement against the Company on 08.03.96. However 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 Company has deposited an amount of Rs 32,00,000 with the Registrar, which has been shown under Short Term Loans and Advances). 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 company had filed a review petition against the said order which has been dismissed.The company has filed a curative petition.		
v) 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 relected in Loans and Advances	10,02,97,000	10,02,97,000
26. 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		
27. EARNINGS IN FOREIGN CURRENCY		
From Services Rendered	80,200	80,200

Notes to Financial Statements for the year ended 31st March 2016

Particulars	As at 31 March, 2016 Rs.	As at 31 March, 2015 Rs.
28. EARNING PER EQUITY SHARE (EPS)		
EPS is calculated by dividing the profit attributable to the equity shareholders by 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. As the company has consolidated its shares from Rs 1 to Rs 10, the earning per share figure is not comparable with the previous years figure		
Profit after tax	-56,17,392	-1,13,65,246
Weighted Number of Shares (Nos)-Basic	2,47,222	24,72,225
EPS	-22.72	-4.60
Basic/Diluted Earning Per Share	-22.72	-4.60
Face Value per share	10	1

29. Going concern basis has been adopted in the preparation of financial statements based on management expectations and projections

30. Confirmations are not available in respect of balances of secured loans, debtors, certain bank balances, deposits, advances and creditors appearing in Notes 5,7,8,10,13,14 and 15 of the accounts respectively

31. There are no amounts due and outstanding to be credited to Investor Education Protection Fund

32. SEGMENT

Description	Rs. in Lakhs					
	Property Owing & Leasing	Shipping & Shipping Agency Activities	Total	Property Owing & Leasing	Shipping & Shipping Agency Activities	Total
	2016			2015		
<u>Revenue</u>	19.69	0.80	20.49	14.35	0.80	15.15
Internal						
Results	(2.60)	(-.02)	(-2.62)	(-.35)	(-3.55)	(-3.90)
Unallocated Corporate expenses net of unallocated income			(-52.94)			(-102.04)
Interest & Finance Cost			'0.62			0.62
Taxation						
Current	Nil	Nil	Nil	Nil	Nil	Nil
Deferred	Nil	Nil	Nil	Nil	Nil	Nil

Net Profit after tax & Before prior period adjustment			(-56.18)			(-106.56)
Prior period adjustment			'0			(-7.09)
Net Profit after tax & prior period Adjustment			(-56.18)			(-113.65)
<u>Other Information</u>						
Segment Assets	514.88	-	514.88	508.14		508.14
Unallocated Corporate Assets			196.91			193.39
Total Assets			'711.79			701.53
Segment Liabilities	69.52	15.05	84.57	66.25	15.09	81.34
Unallocated Corporate Liabilities			84036.25			83973.02
Total Liabilities			'84120.82			84054.38
Depreciation	1.82	-	1.82	2.21		2.21
Unallocated Corporate Depreciation			18			0.41
Total Depreciation			'2.00			2.62

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

Signature to Note 1 to 33 of financial statements

For **Sachin P Mulgaokar & Co**

Firm Registration Number 108945W

Chartered Accountants

Sachin Mulgaokar

Proprietor

Place : Mumbai

Date : 31st May 2016

For and on behalf of the Board of Directors

Capt N.B. Jamnerkar

Director

Place : Mumbai

Date : 31st May 2016

Mr. Sampat V. Borate

Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	Rs. in lakhs		Rs. in lakhs	
	2015-16		2014-15	
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit/(Loss) before Tax		(56.17)		-113.65
Adjustment for :				
Depreciation	2.01		2.63	
Income from Investments	(7.09)		-6.87	
Interest (Net)	0.63	(4.45)	0.62	-3.62
Operating Profit(Loss) before working capital changes		(60.63)		-117.27
Adjustment for :				
Trade and Other Receivables	-48.43		54.40	
Trade Payables	62.94	111.37	116.66	62.26
CASH GENERATED FROM OPERATIONS		50.74		-55.01
NET CASH FLOW FROM OPERATING ACTIVITIES		50.74		-55.01
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Interest received	7.09	7.09	6.87	6.87
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds from Long Term Borrowings (net)		(0.63)		-0.62
Interest				
NET INCREASE IN CASH & CASH EQUIVALENTS		57.20		-48.76
Cash and Cash Equivalents at the beginning of the year		11.39		60.15
Cash and Cash Equivalents at the end of the year		68.60		11.39
		57.21		-48.76

Notes:

- The above Cash Flow statement has been prepared under the Indirect Method set out in Accounting Standard - 3 issued by the Institute of Chartered Accountants of India
- Previous Years figures have regrouped wherever necessary to confirm to current years's classification
This is the Cash Flow statement referred to in our report of even date

For **Sachin P Mulgaokar & Co**

Firm Registration Number 108945W

Chartered Accountants

Sachin Mulgaokar

Proprietor

Place : Mumbai

Date : 31st May 2016

For and on behalf of the Board of Directors

Capt N.B. Jamnerkar

Director

Place : Mumbai

Date : 31st May 2016

Mr. Sampat V. Borate

Director

MACKINNON MACKENZIE & CO. LTD.

Regd. Office : 4, Shoorji Vallabhdas Marg, Ballard Estate, Bombay - 400 001.
CIN No. L63020MH1951PLC013745

PROXY FORM

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

Name of the member(s):
Registered address:

Proxy No.
Folio No/Client Id/DP ID
No. of Shares

E-mail ID:

I/We
of being a member/members of MACKINNON MACKENZIE & CO. LTD. hereby appoint.....
.....of.....
.....E-mail Id.....
or failing him.....of.....
.....E-mail ID.....
or failing him.....of.....
.....E-mail ID.....

as my/our proxy to attend and vote for me/us and on my/our behalf at the Sixty-fifth Annual General Meeting of the Company to be held on Thursday, 29th September, 2016 at 10.00 a.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Mumbai - 400001, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	For	Against
Ordinary Business			
1.	Adoption of the Audited Financial Statement of the Company for the year ended 31st March 2016 including the Audited Balance Sheet as at 31st March 2016 and statement of Profit and Loss for the year ended on that date alongwith the Reports of the Board of Directors and Auditors thereon.		
2.	Appointment of a Director in place of Mr. Narendra Jamnerkar, Director (DIN 00012293) who retires by rotation and being eligible, offers himself for re-appointment.		
3.	Re-appointment of M/s. Sachin P. Mulgaokar & Co., Chartered Accountants as the Statutory Auditors of the Company.		
Special Business			
4.	Appointment of Mr. Sampat Borate, (DIN:06929702) as an Independent Director of the Company.		
5.	Appointment of Mrs. Anuja Paranjape, (DIN: 07265328) as Women Independent Director of the Company.		
6.	Appointment of Mr. Narendra Jamnerkar, (DIN: 00012293) as an Independent Director of the Company.		
7.	Appointment of Mr. Abbas Lakdawalla (DIN NO:00037416) as an Independent Director of the Company.		
8.	Consolidation of the Face Value of the Equity Shares of the Company and consequential alteration of Memorandum of Association and Article of Association of the Company.		
9.	Adoption of new Articles of Association of the Company Containing regulation in conformity with the Companies Act 2013.		

Signed thisday of.....2016

.....
Signature of the Proxy

.....
Signature of the Shareholder

Affix
One Rupee
Revenue Stamp
here

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 & CO. LTD.

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 65th Annual General Meeting of the Company to be held on Thursday, 29th September 2016 at 10.00 a.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Mumbai 400001

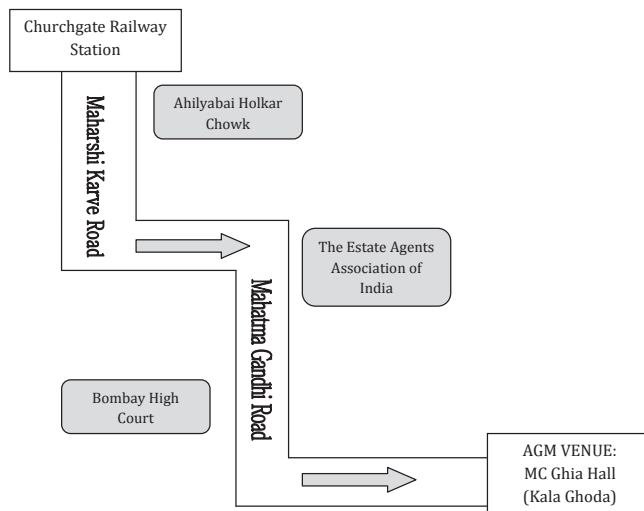
Folio/Client ID	
-----------------	--

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.

ROUTE MAP OF 65TH AGM VENUE



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