

**MACFARLANE & COMPANY LIMITED**

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2019 AND STATEMENT OF PROFIT AND  
LOSS FOR THE YEAR ENDED ON THAT DATE**

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**G.P. AGRAWAL & CO.  
CHARTERED ACCOUNTANTS**

**Independent Auditor's Report**  
To The Members of **Macfarlane & Company Limited**

**Report on the Audit of Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **Macfarlane & Company Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('the Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

We have determined that there are no key audit matters to communicate in our report.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS. 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



**Independent Auditor's Report (Contd.)**  
**To The Members of Macfarlane & Company Limited**

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

That Board of Directors are also responsible for overseeing the company's financial reporting process.

**Auditor's Responsibility for the audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

**Independent Auditor's Report (Contd.)**  
**To The Members of Macfarlane & Company Limited**

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine that there are no key audit matters to communicate in our report.

**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 of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 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 purposes 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 including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the Directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

According to the information and explanation given to us, the Company has not paid/provided for any managerial remuneration during the year.

**Independent Auditor's Report (Contd.)**  
**To The Members of Macfarlane & Company Limited**

- (h) With respect to the other matters 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 not have any pending litigations which would impact its financial position;
  - ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For G. P. Agrawal & Co.  
Chartered Accountants  
Firm Regn. No. 302082E

Place: Kolkata  
Dated: 9<sup>th</sup> May, 2019

(CA. Sunita Kedia)  
Membership No. 60162  
Partner

**Independent Auditor's Report (Contd.)**  
**To The Members of Macfarlane & Company Limited**

**"Annexure A" to the Independent Auditors Report**

Statement referred to in paragraph 'Report on Other Legal & Regulatory Requirements' of our report of even date to the members of **Macfarlane & Company Limited** on the financial statements for the year ended 31<sup>st</sup> March, 2019:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.  
  
(b) The company has regular program of physical verification of its fixed asset by which fixed assets are verified in phased manner over a period of three years. In accordance with this program, certain fixed assets were verified during the year, no material discrepancies between the books records and the physical fixed assets have been noticed.  
  
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The Company's nature of operation does not require it to hold inventories. Accordingly, provision of clause (ii) of paragraph 3 of the said order is not applicable to the Company and hence not commented upon.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. The company has not made any investment or furnished any guarantee or securities within the meaning of section 185 and 186 of the Companies Act, 2013. Accordingly, the provisions of clause (iv) of paragraph 3 of the Order are not applicable to the Company and hence not commented upon.
- v. The Company has not accepted any deposit within the meaning of section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. The directives issued by the Reserve Bank of India are not applicable to the Company.
- vi. The central Government has not prescribed the maintenance of cost records under section 148 (1) of the Companies Act 2013, for any services rendered by the company.
- vii. (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, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess, Goods and Services Tax (GST) 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 31<sup>st</sup> March, 2019 for a period of more than six months from the date on when they become payable.



**Independent Auditor's Report (Contd.)**  
To The Members of Macfarlane & Company Limited

**"Annexure A" to the Independent Auditors Report (Contd.)**

- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- viii. Based upon the audit procedures performed and the information and explanations given by the management, the Company has not taken any loan from financial institutions, bank or Government and has not issued any debentures. Accordingly, the provisions of clause 3 (viii) of the Order are not applicable to the Company and hence not commented upon.
- ix. Based upon the audit procedures 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. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- xi. Based upon the audit procedures performed and the information and explanations given by the management, the company has not paid or provided any managerial remuneration. Accordingly, the provisions of clause 3 (xi) of the Order are not applicable to the Company and hence not commented upon.
- xii. 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 and hence not commented upon.
- xiii. Based upon the audit procedures performed and the information and explanations given by the management, no transaction has been entered into between related parties. Accordingly, provisions of clause 3 (xiii) of the Order are not applicable to the Company and hence not commented upon.
- xiv. Based upon the audit procedures performed and the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- xv. Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.



**Independent Auditor's Report (Contd.)**  
To The Members of Macfarlane & Company Limited

**"Annexure A" to the Independent Auditors Report (Contd.)**

- xvi. According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve bank of India Act, 1934 are not applicable to the Company.

For G. P. Agrawal & Co.  
Chartered Accountants  
Firm Regn. No. 302082E

Place: Kolkata  
Dated: 9<sup>th</sup> May, 2019

(CA. Sunita Kedia)  
Membership No. 60162  
Partner



**Independent Auditor's Report (Contd.)**  
**To The Members of Macfarlane & Company Limited**

**"Annexure B" to the Independent Auditor's Report**

**Report on the Internal Financial Controls 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 **Macfarlane & Company Limited** ("the Company") as of 31<sup>st</sup> March, 2019 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls 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 Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls 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 Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 judgement, 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.

**Independent Auditor's Report (Contd.)**  
To The Members of **Macfarlane & Company Limited**

**"Annexure B" to the Independent Auditor's Report (Contd.)**

**Meaning of Internal Financial Controls 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 preparation 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 are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised 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 limitations of internal financial controls 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 controls over financial reporting to future periods 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2019, 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 ICAI.

For G. P. Agrawal & Co.  
Chartered Accountants  
Firm Regn. No. 302082E

Place: Kolkata  
Dated: 9<sup>th</sup> May, 2019

(CA. Sunita Kedia)  
Membership No. 60162  
Partner

**MACFARLANE & COMPANY LIMITED**  
 9/1, R. N. MUKHERJEE ROAD, KOLKATA - 700 001  
 CIN I51909WB1919PLC003356  
**BALANCE SHEET AS AT 31ST MARCH, 2019**

(Rs. in Lakh)

	PARTICULARS	Note No.	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
	<b>ASSETS</b>			
	<b>Non-Current Assets</b>			
	(a) Property, Plant and Equipment	1	103.15	103.15
	(b) Financial Assets			
	(i) Investments	3	0.04	0.04
	(ii) Other Non-Current Assets	4	0.60	0.56
			103.79	103.75
	<b>Current Assets</b>			
	(a) Inventories			
	(b) Prepayments	5	139.33	103.87
	(c) Trade Receivables	6	3.77	2.17
	(d) Cash and Cash Equivalents	7	17.57	11.98
	(e) Other Current Assets	8	9.63	8.60
			170.30	146.68
	<b>Total Assets</b>		274.09	250.43
	<b>EQUITY AND LIABILITIES</b>			
	<b>EQUITY</b>			
	(a) Equity Share Capital	9	10.00	10.00
	(b) Other Equity	10	250.74	230.28
			260.74	240.28
	<b>LIABILITIES</b>			
	<b>Non-Current Liabilities</b>			
	(a) Provisions			
	(b) Other Non-Current Liabilities	11	5.61	5.61
	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Other Financial Liabilities	12	1.41	1.09
	(b) Other Current Liabilities	13	0.53	0.38
	(c) Current Tax Liabilities (Net)	14	5.80	2.87
			7.74	4.54
	<b>Total Equity &amp; Liabilities</b>		274.09	250.43

The accompanying notes 1 to 20 are an integral part of the financial statements.

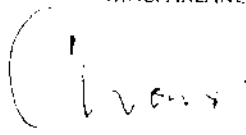
As per our report of even date attached


For G. P. AGRAWAL & CO.  
 CHARTERED ACCOUNTANTS  
 Firm's Registration No.3020821

CA. SUNITA KEDIA  
 PARTNER  
 MEMBERSHIP No.060162

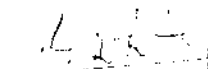
Place : Kolkata  
 Dated : 9th May, 2019

For and on behalf of the Board of Directors of  
 MACFARLANE & COMPANY LIMITED

  
 A. K. NANDA  
 Director  
 DIN : 00201378

  
 A. K. VIJAY  
 Director  
 DIN : 01103278

Secretary

  
 G. D. RATHI  
 Director  
 DIN : 00201402

**MACFARLANE & COMPANY LIMITED**  
**9/1, R. N. MUKHERJEE ROAD, KOLKATA - 700 001**  
**CIN L51909WB1919PLC003356**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2019**

(Rs. in Lakh)

	PARTICULARS	Note No.	Year Ended 31st March, 2019	Year Ended 31st March, 2018
			Rs.	Rs.
	Revenue From Operations	15	24.66	27.17
	Other Income	16	10.00	7.98
I	<b>Total Income (I + II)</b>		<b>34.66</b>	<b>35.09</b>
	Expenses			
	Employee Benefits Expense	17	1.25	1.21
	Other Expenses	18	8.07	6.77
II	<b>Total Expenses (IV)</b>		<b>9.32</b>	<b>7.97</b>
	<b>Profit Before Tax (III - IV)</b>		<b>25.34</b>	<b>27.17</b>
	Tax Expense			
	Corporate Tax		4.88	6.20
	Income Tax		4.88	6.20
V	<b>Profit for the year (V - VI)</b>		<b>20.46</b>	<b>20.97</b>
	Other Comprehensive Income			
	<b>Total Comprehensive Income for the year (VII - VIII)</b>		<b>20.46</b>	<b>20.97</b>
	Earnings per Equity Share	19		
	Basic		11.94	11.94
	Diluted		10.95	11.02

The accompanying notes 1 to 20 are an integral part of the financial statements.


Approved on behalf of the Chartered Accountants

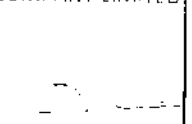
For G. P. AGRAWAL & CO.  
 CHARTERED ACCOUNTANTS  
 Firm's Registration No. 302082E


CA. SUNITA KEDIA  
 PARTNER  
 MEMBERSHIP No. 060162

Place : Kolkata  
 Dated : 9th May, 2019

Approved on behalf of the Board of Directors  
**MACFARLANE & COMPANY LIMITED**

  
**A. K. NANDA**  
 Director  
 DIN : 002013/8

  
**A. K. VJAY**  
 Director  
 DIN : 011032/8

  
**G. D. RATHI**  
 Director  
 DIN : 002014/02

Secretary

**MACFARLANE & COMPANY LIMITED**  
 9/1, R. N. MUKHERJEE ROAD, KOLKATA - 700 001  
 CIN L51909WB1919PLC003356  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019**

(Rs. in Lakh)

PARTICULARS	Year Ended 31st March, 2019	Year Ended 31st March, 2018
	Rs.	Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit Before Tax	25.34	27.17
<i>Adjustments to reconcile profit before tax to net cash flow provided by operating activities:</i>		
Profit on Sale of Investments - Current	-	(1.31)
<b>Operating Profit before Working Capital Changes</b>	<b>25.34</b>	<b>25.86</b>
<i>Adjustments to reconcile operating profit to cash flow provided by changes in working capital:</i>		
Other Non Current Assets	(0.03)	(0.03)
Other Current Assets	(0.97)	(5.91)
Other Current Liabilities	0.77	0.26
Trade Payables	18.90	(3.12)
<b>Cash Generated from Operations</b>	<b>43.01</b>	<b>16.16</b>
Direct Taxes paid	(1.95)	-
<b>Net Cash Flow from Operating Activities (A)</b>	<b>41.06</b>	<b>9.94</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Income from Investments	(9.97)	1.31
Purchase of Fixed Assets	-	(50.57)
Acquirement of Intangible Asset	(24.50)	(6.05)
<b>Net Cash used in Investing Activities (B)</b>	<b>(35.47)</b>	<b>(3.45)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
<b>Net Cash used in Financing Activities (C)</b>	<b>-</b>	<b>-</b>
<b>Net Changes in Cash &amp; Cash Equivalent (A+B+C)</b>	<b>5.59</b>	<b>6.49</b>
Cash & Cash Equivalent - Opening Balance	11.98	5.49
<b>Cash &amp; Cash Equivalent - Closing Balance</b>	<b>17.57</b>	<b>11.98</b>

**Notes:**

- 1) The above cash flow statement has been prepared under the indirect method as set out in Ind AS 7 (Cash Flow Statement).
- 2) Cash and cash equivalents do not include any amount which is not available to the Company for its use.
- 3) Cash and cash equivalents as at the Balance Sheet date consists of:

(Rs. in Lakh)

	As at 31st March, 2019	As at 31st March, 2018
Cash in hand	0.13	0.05
Bank balances, deposits and other financial assets (Refer Note A.2)	17.44	11.93
<b>Closing Cash and Cash equivalents (Refer Note No. 7)</b>	<b>17.57</b>	<b>11.98</b>

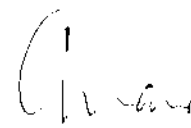
The accompanying notes 1 to 20 are an integral part of the financial statements.

As per our Report of even date attached

For: **G. P. AGRAWAL & CO.**  
**CHARTERED ACCOUNTANTS**  
 Firm's Registration No.3020827

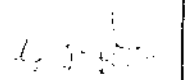
**CA. SUNITA KEDIA**  
**PARTNER**  
 MEMBERSHIP No.060162

For and on behalf of the Board of Directors of  
**MACFARLANE & COMPANY LIMITED**



**A. K. NANDA**  
 Director  
 DIN : 00201378

**A. K. VIJAY**  
 Director  
 DIN : 01103278



**G. D. RATHI**  
 Director

Place : Kolkata  
 Dated : 9th May, 2019

Secretary

DIN : 00201402

**MACFARLANE & COMPANY LIMITED**  
 9/1, R. N. MUKHERJEE ROAD, KOLKATA - 700 001  
 CIN LS1909WB1919PLC003356  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019**

**(a) Equity Share Capital**

(Rs. in Lakh)

Particulars	Balance as at beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
For the year ended 31st March, 2018	10.00		10.00
For the year ended 31st March, 2019	10.00		10.00

**(b) Other Equity**

(Rs. in Lakh)

Particulars	Reserves and surplus		Total
	Capital Redemption Reserve	Retained earnings	
Balance as at 1st April, 2018	0.08	230.20	230.28
Profit for the year		20.46	20.46
Other comprehensive income/(loss) for the year		-	-
Balance as at 31st March, 2019	0.08	250.66	250.74
Balance as at 1st April, 2017	0.08	209.23	209.31
Profit for the year		20.97	21.05
Other comprehensive income/(loss) for the year		-	-
Balance as at 31st March, 2018	0.08	230.20	230.28

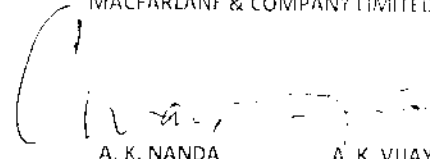
For a company, notes 1 to 20 are an integral part of the financial statements.

As per report of even date attached.

For G. P. AGRAWAL & CO.  
 CHARTERED ACCOUNTANTS  
 Firm's Registration No.302082E

CA. SUNITA KHEDIA  
 PARTNER  
 MEMBERSHIP No.060162

For and on behalf of the Board of Directors of  
 MACFARLANE & COMPANY LIMITED

  
 A. K. NANDA  
 Director  
 DIN : 00201378

A. K. VIJAY  
 Director  
 DIN : 01103278

  
 G. D. RATHI  
 Director  
 DIN : 00201402  
 Secretary

Place : Kolkata  
 Dated : 9th May, 2019

**MACFARLANE & COMPANY LIMITED**  
9/1, R. N. MUKHERJEE ROAD, KOLKATA-700 001  
FINANCIAL YEAR 2018 - 2019

**1. NOTES TO THE FINANCIAL STATEMENTS:**

**i) General corporate information:**

Macfarlane & Company Limited (the Company) incorporated in 1919 has its Registered Office at 9/1, R. N. Mukherjee Road, Birla Road, 1st Floor, Kolkata 700 001. The Company is listed on The Calcutta Stock Exchange Limited. The Company has no manufacturing activity. Company's source of income is renting of immovable property and income from investment. The financial statements for the year ended 31st March, 2019 were approved by the Board of Directors and authorized for issue on 9th May, 2019.

**ii) Significant accounting policies**

**(a) Statement of compliance**

The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as the AS) as prescribed in Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

**(b) Basis of preparation of Financial Statements**

The financial statements of the Company are prepared under the historical cost except for certain financial instruments that are measured at fair value at end of each reporting period. Historical cost is generally based on fair value of the consideration given in exchange for the goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Assets and liabilities have been classified as current and non-current as per the company's normal operating cycle and criteria set out in schedule III (Division II) of the Companies Act 2013.

The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

**(c) Use of Estimates**

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. The most material judgments and assumptions affect the application of accounting policies and the reported amount of Assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported revenues and expenses for the year. Accounting estimate could change from year to year. Actual results could differ from these estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in estimates and reflected in the financial statements in the period in which the changes are made and if material, these effects are disclosed in the notes to financial statements.

**(d) Financial Instrument**

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not measured at fair value through profit or loss, are added/ deducted to the fair value on initial recognition.

All recognized financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

**i) Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**ii) Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

**iii) Financial liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method, for trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**MACFARLANE & COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (Contd.)**

**v) Impairment**

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

**v) Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

**(e) Revenue recognition**

Ind AS 115 'Revenue from Contracts with Customers' has been notified by Ministry of Corporate Affairs (MCA) on March 28, 2018 and is effective from accounting period beginning on or after 1st April, 2018. The Company has applied modified retrospective approach in adopting the new standard. The Company has evaluated its major contracts with customer and there is no material impact on adoption of the standard on the financial statements of the Company.

Revenue is recognised upon transfer of control of promised goods or services to customers at an amount to which the entity expects to be entitled following a five-step model in accordance with Ind AS 115. Revenue is measured based on the consideration specified in a contract with a customer, and is reduced for volume discounts, rebates and other similar allowances.

**Revenue from Operations:**

Revenue from renting of house/property is recognised if the performance obligation for the same is satisfied. Performance obligation is satisfied over the period of time. The Company measures its progress towards satisfaction of performance obligation by using output method as specified in the standard on the basis of number of days the property was rented.

**Other Income:**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest on loans is recognised on the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount at initial recognition.

Gain/loss on sale of Current/ Non-Current Investments are recognized at the time of redemption/sale and at fair value at each reporting period.

Dividend income is recognised when the company's right to receive payment has been established, provided that it is probable that the economic benefits will flow to the Company and amount of income can be measured reliably.

Provisions and other liabilities are recognised when a liability is either admitted by the appropriate authorities in view of uncertainty involved or as a result of legal claim.

**(f) Provisions and Contingent liabilities**

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Contingent liability is a possible obligation that arises from past events and 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 but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognized.



**MACFARLANE & COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (Contd.)**

**(g) Borrowing Cost**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

**(h) Cash & Cash Equivalents**

The Company considers all liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of less than three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balance with banks which are unrestricted for withdrawal and usage.

**(i) Taxation**

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred tax is calculated at current statutory Income Tax Rate and is recognized on timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets, subject to consideration of prudence, are recognized and carried forward only to the extent that there is reasonable evidence, supported by convincing evidence, that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets and liabilities are reviewed at each balance sheet date and written down or written up to reflect the amount that is recoverable, if any, and then realized.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws to the extent it is likely to give future economic benefits in the form of availability to set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

**(j) Earning Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to ordinary shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential ordinary shares.

**(k) Cash Flow Statement**

Cash flow is presented using the indirect method where profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating financing and investing activities of the Company are segregated.

**(l) Property, Plant and equipment**

Property, Plant and equipments are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes purchase cost including import duties and any refundable taxes, any directly attributable costs of bringing an asset to the location and condition necessary for it to be available for use, and is used in accordance with the Company's accounting policy.

(m) Depreciation on property, plant and equipment have been provided on Written down value method as per Schedule II of the Companies Act, 2013. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any changes is accounted as change in estimate on a prospective basis:

Estimated useful lives of the assets are as follows:

Buildings	30 to 60 years
Plant and equipments	3 to 5 years

**MACFARLANE & COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (Contd.)**

iii) <b>Earning Per Share:</b>	31st March, 2019	31st March, 2018
<i>Amount stated in the numerator</i>		
Profit after tax (Rs. in lakh)	(A) 20.46	20.97
<i>Weighted average number of ordinary shares outstanding used as the denominator for computing Basic &amp; Diluted Earnings per share (B)</i>	1,86,860	1,86,860
<i>Basic Earnings Per Share (Rs.)</i>	(A/B) 10.95	11.22
<i>Diluted Earnings Per Share (Rs.)</i>	(A/B) 10.95	11.22

**iv) Related party disclosures :**

- a) Holding Company : M/s Texmac Infrastructure & Holdings Limited  
 b) Key Management Personnel : Mr. A. K. Vijay, Director  
 c) Transaction with related parties :

	As on 31-Mar-19	As on 31-Mar-18
Company : M/s Texmac Infrastructure & Holdings Limited	Nil	Nil

- v) Since there is no significant timing difference arising on account of depreciation calculated as per Companies Act, 2013 and Income Tax Act, 1961, the Deferred Tax is not recognised.
- vi) Since the WDV of tangible assets becomes less than 5% of the assets' original cost as on 01/04/2018, so, no depreciation has been provided during the year ended 31/03/2019 in the schedule - I of the Companies Act, 2013.

**vii) Capital Management:**

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity share holders of the Company. The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and other stakeholders and maintain an optimal capital structure to reduce the cost of Capital.

The Company manages its capital structure and makes adjustments in light of changes in the financial condition and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, issue new shares to shareholders, buy back of shares or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2019 and 31st March, 2018.

**viii) Operating Segment:**

The Company is primarily engaged in rental of immovable property and investment in mutual funds. All the activities of the Company revolve around the main business. As such there are no separate reportable segments as per requirements of Accounting Standard - Ind AS 108 on operating segment. Further, the Company operates only in India, hence additional information on geographical segments is also not applicable.

**ix) Information in accordance with the requirements of the Indian Accounting Standard (Ind AS 115) on 'Revenue From Contract With Customers' specified under the Act.**

- (a) Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 1, 2018, replaces existing revenue recognition requirements. Under the modified retrospective approach, there were no adjustments required to be made to retained earnings at April 1, 2018. Also, the application of Ind AS 115 did not have any impact on recognition and measurement of revenue and related items in the financial results.

(b) Types of good or service	(Rs. in lakh)	
	31st March, 2019	31st March, 2018
Renting of House Property	24.66	27.11
Others	10.00	7.98
<b>Total Revenue from contract with customers</b>	<b>34.66</b>	<b>35.09</b>

**MACFARLANE & COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (Contd.)**

		(Rs. in lakh)
<b>(c) Timing of transfer of goods or services</b>	<b>31st March, 2019</b>	<b>31st March, 2018</b>
Services transferred over time	34.66	33.09
<b>Total Revenue from contract with customers</b>	<b>34.66</b>	<b>35.09</b>

		(Rs. in lakh)
<b>(d) Contract Balances</b>	<b>31st March, 2019</b>	<b>31st March, 2018</b>
Trade Receivables (Refer Note 6)	3.77	22.17
Contract Liabilities (Refer Note 7)	5.61	5.61
The contract liability represents the amount of revenue recognised in the current period but which the Company is obliged to satisfy in future by transferring goods or services to the customer.		
Revenue recognised during the year from performance obligations satisfied in previous year(s)		

**x) Standards Issued but not yet Effective**

**Ind AS 116**

Ind AS 116 is effective for periods beginning on or after 1st April, 2019. It will replace previous lease standard Ind AS 17.

Ind AS 116 sets out the principles for the recognition, measurement and disclosure of leases and requires lessors to account for all leases as either finance or operating leases, and lessees to account for them as leases under Ind AS 17.

Ind AS 116 requires lessors to recognise a right-of-use asset and a lease liability for almost all leasing arrangements, except accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. The lessor still has to classify leases as either finance or operating.

The Company is evaluating the impact of the standard and amendment on the financial position and results of operation.

**Appendix C, Uncertainty over Income Tax Treatments to Ind AS 12**

Appendix C has been added with the amendments to Ind AS 12 regarding uncertainty in the accounting for uncertainties over income tax treatments that are not fully supported by tax law. The amendments cover measurement, treatment and disclosure.

The Company is evaluating the impact of the standard and amendment on the financial position and results of operation.

**Prepayment Features with Negative Compensation, Amendments to Ind AS 109**

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights. In order to allow measurement at amortised cost or depending on the business model, fair value through other comprehensive income) even in the case of negative change in prepayments, the Company does not expect this amendment to have any impact on its financial statements.

**Plan Amendment, Curtailment or Settlement - Amendments to Ind AS 19**

On 30th March, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity

- to use updated assumptions to determine plan and service cost and net interest for the remainder of the period after a curtailment or settlement or settlement; and
- to recognise a liability or loss as part of past service cost or a gain or loss on settlement, any reduction in a surplus, only if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

  
 Director

MACFARLANE & COMPANY LIMITED  
Notes on financial statements (Contd.)

(Rs. in Lakh)

Note No.

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Revenue from operation	28.66	27.11
Other income	5.97	5.71
Employee Benefits Expense	10.00	7.98
Other expenses	1.25	1.20
Tax Expenses	8.07	6.77
Reconciliation of Tax Expenses	4.88	6.20
Net Adjustments	(1.71)	(0.80)
Tax Expenses	4.88	6.20

For G. P. AGRAWAL & CO.  
CHARTERED ACCOUNTANTS  
Firm's Registration No 3020821

CA. SUNITA KEDIA  
PARTNER  
MEMBERSHIP No 060362

Place : Kolkata  
Dated : 9th May, 2019

For and on behalf of the Board of Directors  
MACFARLANE & COMPANY LIMITED

A. K. NANDA  
Director  
DIN : 00201378

A. K. VIJAY  
Director  
DIN : 01103278

G. D. RATHI  
Director  
DIN : 00201402

Secretary

