

McLEOD & COMPANY LIMITED

95th Annual Report

For the year ended 31st March, 2017

McLeod House

3, Netaji Subhas Road, Kolkata -700001

McLEOD & COMPANY LIMITED

DIRECTORS :

BHARAT BAJORIA – Non-Executive
SHARAD BAJORIA – Non-Executive
MUDIT BAJORIA- Non-Executive
SHOBHA BAJORIA- Non-Executive
PRANAB KUMAR MOOKERJEE - Independent
RADHEY KANT DIXIT- Independent

KEY MANAGERIAL PERSONNEL :

DHANRAJ BAID - Chief Executive Officer
GIRDHARI LAL NOWAL - Chief Financial Officer
PRANITA KEJRIWAL – Company Secretary

BANKERS :

BANK OF MAHARASHTRA

AUDITORS :

R. B. S. C. & CO.
CHARTERED ACCOUNTANTS
KOLKATA – 700 001

REGISTERED OFFICE :

“McLEOD HOUSE”
3, NETAJI SUBHAS ROAD’
KOLKATA–700 001.
e-mail : mcleodbajoria@hotmail.com
CIN : L63090WB1922PLC004577

REGISTRAR & SHARE TRANSFER AGENT:

MAHESHWARI DATAMATICS PVT. LTD.
23, R. N. MUKHERJEE ROAD, (5th Floor)
KOLKATA – 700 001.
PHONE : 033-2243-5029/ 2248-2248
e-mail: mdpldc@yahoo.com

McLEOD & COMPANY LIMITED

CIN: L63090WB1922PLC004577

Regd Office: MCLEOD HOUSE, 3, Netaji Subhas Road, Kolkata-700001

NOTICE

NOTICE is hereby given that the 95th Annual General Meeting of the members of McLEOD & COMPANY LIMITED (CIN: L63090WB1922PLC004577) will be held at its Registered Office at Mcleod House, 3 Netaji Subhas Road, Kolkata- 700001, on Saturday, the 30th September, 2017 at 11.00 AM to transact the following business:-

ORDINARY BUSINESS:

1. To consider and adopt the Profit and Loss Account for the year ended 31st March, 2017, the Balance Sheet as at that date and the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mrs. Shobha Bajoria (DIN: [00607018](#)), who retires by rotation and being eligible, offers herself for re-appointment.
3. To declare a Dividend on Ordinary Shares for the financial year ended 31st March, 2017.
4. To appoint Statutory Auditors and in that connection to consider and, if thought fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Rules made there under, M/s. Khandelwal Ray & Co., Chartered Accountants, Kolkata, (Firm's Regn. No. 302035E) be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next five Annual General Meeting at such remuneration and on such terms and conditions as may be fixed by the Board of Directors based on the recommendations of the Audit Committee."

By Order of the Board
McLEOD & COMPANY LIMITED

Place: Kolkata
Date: 05.09.2017

Mudit Bajoria (DIN: 00015402)
Director

NOTES & EXPLANATORY STATEMENT AS PER SECTION 102 OF THE COMPANIES ACT, 2013:

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 a proxy need not be a Member of the company. The instrument appointing the proxy form must be duly filled in all respect, in order to be effective, should be lodged with the Company at its Registered Office not less than 48 hours before the commencement of the meeting.

In term of Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as a proxy on behalf of Member not exceeding 50 and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy of any other shareholder.

2. Members / Proxies should bring the Attendance Slip duly filled in for attending the Annual General Meeting. Copies of Annual Report and Attendance Slip will not be available for distribution at the venue of the Meeting.

3. Corporate Members are requested to send to the Registered Office of the Company a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the Annual General Meeting.

4. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days except Saturdays, Sundays and Holidays between 11.00 a.m. and 1.00 p.m. up to the date of the AGM.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday **27 September 2017** to Saturday **30 September, 2017** (both days inclusive).
6. Members desiring any information on the Accounts of the company are requested to write to the Company at least 10 days in advance so as to enable the Company to keep the information ready.
7. Members are requested to notify immediately any change in their address to the Company.
8. Shareholders are requested to quote Registered Folio Number in all the correspondence with the Company.
9. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. September 26, 2017.
10. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members/ depositories as at closing hours of business, on or before September 5, 2017.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the R&T Agent or to the Registered Office of the Company.
12. A copy of the Notice of AGM along with the copy of Annual Report for F.Y. 2016-17 has been sent to shareholders at the registered address made available by the Depositories. Shareholders can also register their e-mail IDs and contact numbers with the Company by sending details to mcleodbajoria@hotmail.com to enable the Company to communicate to the shareholders, the information about various developments in the Company. Shareholders who wish to avail soft copies of the Notice/ Annual Report may be provided the same upon request.
13. There is no business of special nature that needs to be transacted at the ensuing Annual General Meeting.
14. Pursuant to Section 72 of the Companies Act, 2013, Members holding shares in single name and in physical form may file Nomination in the prescribed Form SH-13 with the R&T Agent. In respect of shares held in electronic form, the Nomination form may be filed in with the respective Depository Participant.

ANNEXURE TO ITEM NO. 2 OF THE NOTICE

Information on Director seeking Re-appointment (Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Brief Resume of Mrs. Shobha Bajoria: Shobha Bajoria, aged 73 years, is a graduate, having wide experience both in Real Estate and Finance.

Save and except Mrs. Shobha Bajoria and Mr. Mudit Bajoria together with their relatives, none of the other Directors/ KMPs/ their relatives is, in any way, concerned or interested financially or otherwise, in this Resolution. The Board considers that appointment of Mrs. Shobha Bajoria will be beneficial to the Company and therefore recommend the Ordinary Resolution no. 2 of the accompanying Notice for approval of the Members.

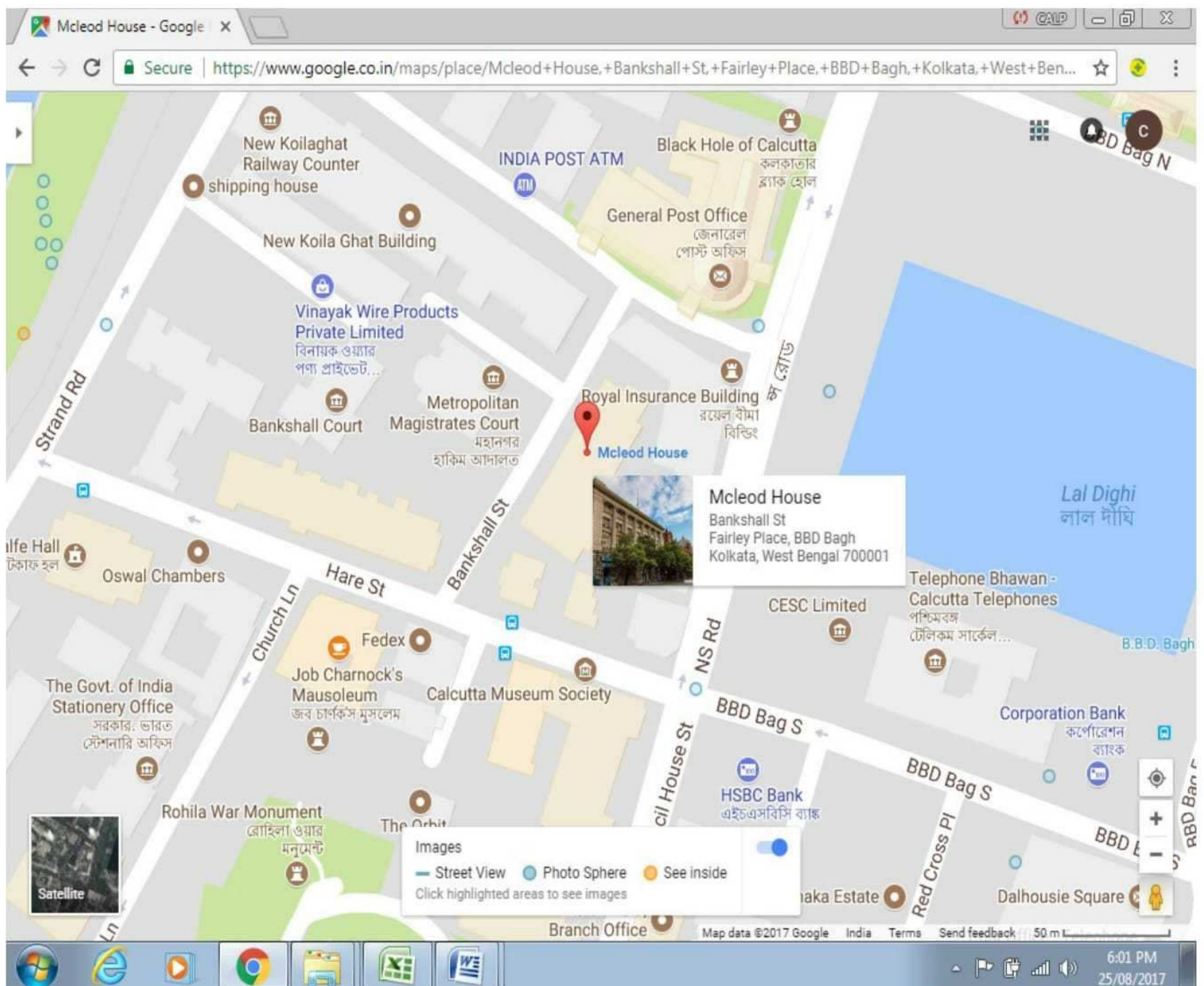
**By Order of the Board
McLEOD & COMPANY LIMITED**

**Mudit Bajoria (DIN: 00015402)
DIRECTOR**

**Place: Kolkata
Date: 05.09.2017**

McLEOD & COMPANY LIMITED

ROUTE MAP TO THE AGM VENUE



MCLEOD & COMPANY LIMITED

(CIN: L63090WB1922PLC004577)

Regd. Office: MCLEOD HOUSE, 3 Netaji Subhas Road, KOLKATA-700001

Directors' Report to the Members

Your Directors have pleasure in presenting the Ninety Fifth Annual Report on the business and operations of the Company together with the Audited Accounts of the Company for the financial year ended on March 31, 2017.

FINANCIAL RESULTS

The Company's financial performance for the year ended on March 31, 2017 is summarized below:

| Amount in Lakhs (Rs.) | | |
|---|--|--|
| Particulars | Year ended 31st March 2017 | Year ended 31st March 2016 |
| Total Income | 301.30 | 275.80 |
| Profit Before Tax | 138.04 | 130.16 |
| Less : Current Tax | 34.00 | 28.60 |
| Less: Short/excess provision of tax for earlier years | (3.02) | (0.47) |
| Less: Deferred Tax | - | - |
| Profit After Tax | 107.06 | 102.03 |

STATE OF COMPANY'S AFFAIRS

The Company is basically in the business of letting out premises, providing services related thereof and dealing in Shares and Securities etc. There has been no change in the business of the Company during the financial year ended 31st March, 2017. The Company is trying its best

DIVIDEND

The Directors are pleased to recommend a dividend @ 60% (Rs. 60/- per Share) on the Ordinary Shares of the Company for the approval of the Members. The Dividend, if declared as above would involve an aggregate outflow of Rs. 34.87 Lakhs (including Dividend Distribution Tax of Rs. 5.90 Lakhs).

TRANSFER TO RESERVES

The Directors propose to transfer a sum of Rs. 25.00 Lakhs to General Reserves out of the amount available for appropriation

CAPITAL STRUCTURE

During the year under review, the Authorized Capital of the Company stood at Rs. 1,15,00,000/- (Rupees One Crore & Fifteen Lakhs), comprising 65,000 (Sixty Five Thousand) Ordinary Shares of Rs. 100/- (Rupees One hundred) each & 50,000 (Fifty Thousand) 9.33% Redeemable Cumulative Preference Shares of Rs. 100/- (Rupees One hundred) each and the issued, subscribed and paid-up share capital of your Company stood at Rs. 48,28,800 /- (Rupees Forty Eight Lakhs Twenty Eight Thousand & Eight Hundred), comprising 48,288 (Forty Eight Thousand Two Hundred and Eighty Eight) Ordinary Shares of Rs. 100/- (Rupees One Hundred) each.

The Company has neither issued shares with differential voting rights nor issued sweat equity or granted stock options during the Financial Year ended 31st March, 2017.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the business of the Company during the year.

MATERIAL CHANGES AND COMMITMENTS

There is no material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

The Company does not become or ceased to be or have any subsidiary/Joint Ventures/ Associate Companies during the year.

AUDIT OBSERVATIONS

Auditors' observations are suitably explained in notes to the Accounts and are self-explanatory.

STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Act and the rules framed there under, M/s. R. B. S. C. & Co., Chartered Accountants, (Firms Registration No. 302034E), Statutory Auditors of the company, hold office till the conclusion of the ensuing Annual general Meeting and their term shall be completed at the same time. So they are not eligible for re-appointment.

On the recommendation of Audit Committee, the Board proposes to appoint M/s. Khandelwal Ray & Co., Chartered Accountants (Firm Registration No. 302035E) as Statutory Auditors of the Company to hold office from the conclusion of ensuing Annual General Meeting of the Company till the conclusion of the 100th Annual General Meeting of the Company to be held in 2022 (subject to ratification of their appointment by the Members at every intervening Annual General Meeting, held after this Annual General Meeting. M/s. Khandelwal Ray & Co. have confirmed their eligibility to the effect that their appointment, if made would be within the prescribed limits under the Act and that they are not disqualified for appointment.

The Notes on financial statement referred to in the Auditors Report are self explanatory and do not call for any further comments. The Auditors Report does not contain qualification reservation or adverse remark.

SECRETARIAL AUDITOR

In accordance with provisions of Section 204, of the Companies Act, 2013, the Company had appointed Ms Disha Dugar, Practicing Company Secretary as Secretarial Auditor for the Financial Year ended on 31st March, 2017.

AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT

The Auditors' Report and Secretarial Auditors' Report to the Company for the year, under review, does not contain any qualification(s) or observation(s). The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

Further, the Statutory Auditors have not reported any incident of fraud to the Board of Directors of your Company during the year under review.

Report of the Secretarial Auditor is given as an Annexure IV to this Report.

LITIGATIONS

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return in Form MGT – 9 is annexed herewith and form part of this Board's Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO

The company is not an industrial company and therefore the details of conservation of energy, technology absorption is not applicable to the company. The Company has no Foreign Exchange earnings or outgo during the year.

CORPORATE SOCIAL RESPONSIBILITY

The Company has not formed any Corporate Social Responsibility Committee because the provisions of Section 135 of the Companies Act, 2013 relating to formation of such a Committee and the formulation of a Corporate Social Responsibility Policy do not apply to the Company.

RISK MANAGEMENT

The company has in place a business risk management framework for identifying risks and opportunities that may have a bearing on the organizations objectives, assessing them in terms of likelihood and magnitude of impact and determining a response strategy.

DETAILS OF DIRECTORS AND KMP CHANGES:

Directors

The Board of Directors is duly constituted in compliance with the provisions of Section 149 of the Companies Act, 2013 and relevant rules made there under.

Mrs. Shobha Bajoria (DIN:00607018), who is Woman Director retires by rotation at the ensuing Annual General Meeting and being eligible offer herself for reappointment. Dr. Pranab Kumar Mookerjee (DIN:00110648) and Mr. Radhey Kant Dixit (DIN:00607134) both continue as Independent Directors.

Key Managerial Personnel

Mr. Dhanraj Baid (PAN: ADDPB0276H), and Mr. Girdhari Lal Nowal (PAN: ABLPN7346L) continue as the Chief Executive Officer & Chief Financial Officer respectively being KMP.

Ms. Pranita Kejriwal (PAN: PWTPK9766K) was appointed as Company Secretary, being KMP w.e.f. 1st November, 2016 and is carrying her role of Company Secretary & Compliance Officer of the company since then.

Number of meetings of the Board of Directors

During the year 4 Board Meetings were convened and held. The dates of Board Meeting are as follows:

| Sl. No. | Particulars | |
|----------------|--------------------|---------------------------------|
| 1. | Board Meeting | 02 nd June, 2016 |
| 2. | Board Meeting | 11 th August, 2016 |
| 3. | Board Meeting | 10 th November, 2016 |

| | | |
|-----------|---------------|---------------------------------|
| 4. | Board Meeting | 13 th February, 2017 |
|-----------|---------------|---------------------------------|

COMMITTEES OF BOARD:

The details of current composition of the Committees of the Board of Director are as under:

a. Audit Committee

| S. No. | Name | Category of Director/ Member | Chairman/ Members |
|--------|------------------------|------------------------------|-------------------|
| 1. | Radhey Kant Dixit | Independent | Chairman |
| 2. | Pranab Kumar Mookerjee | Independent | Member |
| 3. | Mudit Bajoria | Non-Executive | Member |

During the year the committee has met on 2nd June, 2016, 1st August, 2016, 10th November, 2016 and 13th February, 2017.

b. Nomination and Remuneration Committee

| S. No. | Name | Category of Director/ Member | Chairman/ Members |
|--------|---------------------|------------------------------|-------------------|
| 1. | Radhey Kant Dixit | Independent | Chairman |
| 2. | Mrs. Shobha Bajoria | Woman & Non-Executive | Member |
| 3. | Mudit Bajoria | Non-Executive | Member |

During the year the Committee has met on 10th November, 2016.

c. Stakeholders Grievance Committee

| S. No. | Name | Category of Director/ Member | Chairman/ Members |
|--------|---------------------|------------------------------|-------------------|
| 1. | Radhey Kant Dixit | Independent | Chairman |
| 2. | Mrs. Shobha Bajoria | Woman & Non-Executive | Member |
| 3. | Mudit Bajoria | Non-Executive | Member |

During the year the committee has met on 2nd June, 2016, 1st August, 2016, 10th November, 2016 and 13th February, 2017.

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

Your Company has received the declaration of Independence u/s 149(7) of the Companies Act, 2013 from both the Independent Directors of your Company specifying that they meet the criteria of independence as per Section 149(6) of the Companies Act, 2013.

MEETING OF INDEPENDENT DIRECTORS

As required under Regulation 25(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and Schedule IV of the Act, the Independent Director of the listed entity shall hold at least one meeting in a year, without the presence of non-independent directors to discuss the matters specified therein.

Mr. Radhey Kant Dixit and Mr. Pranab Kumar Mookerjee are Independent Directors and during the year the meeting of Independent Directors was held on 13th February, 2017.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS U/S 186

There are no outstanding Loans, Guarantees covered under the provisions of Section 186 of the Companies Act, 2013. The Company has however invested Rs. 150 Lakhs in Mutual Fund during the year, which is within the permissible limit under the section.

DETAILS OF SUBSIDIARY/ JOINT VENTURE/ ASSOCIATE COMPANIES

During the year under review, the Company has no Subsidiary, Joint Venture and Associate Company. Accordingly no details are required to be reported in Form AOC-1 and thus it does not form a part of this report.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION & PROTECTION FUND

The Company does not have any unclaimed dividend, which is due for transfer to Investor Education & Protection Fund.

DEPOSITS

The Company does not have any matured unclaimed deposit as on 31.03.2017. However there is outstanding matured 10% Convertible Notes to the extent of Rs. 22.00 Lakhs

LOANS, INVESTMENT & GUARANTEE BY THE COMPANY

There is no loan given, investment made, guarantee given or security provided by the Company to any entity listed in section 185 of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year ended 31st March, 2017 were on an arm's length basis and were in the ordinary course of business. Therefore, the provisions of Section 188 of the Companies Act, 2013 were not attracted. Further, there are no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC-2 is not required.

The transaction with the Related parties have been disclosed in Note 21(B)(e) to the Financial Statements

PARTICULARS OF EMPLOYEES

The Company have no employee drawing a remuneration of Rs. 60,00,000 (Rupees Sixty lacs) per annum or part there of in terms of the provisions of Section 197(12) of the Act read with Rules 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- 1) in the preparation of the annual account the applicable accounting standards has been followed and there are no material departures from the same.
- 2) the directors have 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 i.e., March 31, 2017 and of the profit of the Company for the year ended on that date;
- 3) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- 4) the directors have prepared the annual accounts ongoing concern basis.
- 5) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and
- 6) the directors have devised proper system to ensure compliance with the provisions of applicable laws and such systems are adequate and operating effectively.

Your Directors further state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a) Details relating to deposits covered under Chapter V of the Act.

- b) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- c) Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
- d) Any of the Directors including the Whole-time Director of the Company receive any remuneration or commission from any of the subsidiaries.
- e) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS

There are adequate internal control procedures commensurate with the size of the Company and nature of its business. The management has put in place effective Internal Control Systems to provide reasonable assurance for Safeguarding Assets from unauthorised access and Maintenance of Proper Accounting Records and Adequacy & Reliability of the information used for carrying on Business Operations.

Further, the Company has taken adequate steps to ensure proper authorization of financial transactions and to prevent possibilities of frauds or other irregularities.

CORPORATE SOCIAL RESPONSIBILITY

Since the Company doesnot fall under the thesehold laid down in section 135 of the Companies Act, 2013, the provision of Section 134 (3)(o) of the Companies Act, 2013 is not applicable and no disclosure is required by the Board.

DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

During the financial year 2016-17, no complaint of sexual harassment were reported.

BOARD'S COMMENT ON THE AUDITORS' REPORT

The observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self explanatory.

LISTING WITH STOCK EXCHANGES

The Company confirms that it is listed on the Calcutta Stock Exchange and currently its status is suspended. The Board confirms on taking necessary steps to revive the same at the Stock Exchange.

The Listing fees for and upto the Financial Year 2016-17 has been paid.

VIGIL MECHANISM

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a vigil mechanism for directors and employees to report genuine concerns has been established.

INTERNAL CONTROL SYSTEM

The Company has a proper and adequate system of internal control commensurate with its size and business operation to ensure timely and accurate financial reporting in accordance with applicable accounting standards and compliance with all applicable regulatory laws and Company policies.

Internal Auditors of the Company review the internal control systems on a regular basis for its effectiveness and necessary changes and suggestions are duly incorporated into the system. Internal audit reports are also reviewed by the Audit Committee of the Board.

CORPORATE GOVERNANCE REPORT AND SHAREHOLDERS' INFORMATION

Attached to the Report as Annexure III

RATIO OF REMUNERATION TO MEDIAN REMUNERATION

There is no Remuneration paid to the Directors of the Company. Thus there is no requirement of the Ratio calculation.

PERSONNEL

The Directors express their gratitude to all employees of the company for the co-operation and support extended by them which has contributed to achieve the working results during the year.

ACKNOWLEDGEMENTS

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

For and on behalf of the Board of Directors

Bharat Bajoria (DIN:00109241)

Director

Place: Kolkata

Date: 05/09/2017

ANNEXURE I

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March 2017.

I.REGISTRATION AND OTHER DETAILS

i) CIN: **L63090WB1922PLC004577**

ii) Registration Date: **11/10/1922**

iii) Name of the Company: **MCLEOD & CO LTD**

iv)Category / Sub-Category of the Company: **PUBLIC LIMITED COMPANY**

v) Address of the registered office and contact details: **MCLEOD HOUSE, 3, N S ROAD KOLKATA - 700001**

vi) Whether listed company: Yes / No

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:-

| Sl. No | Name and Description of main Product/Services | NIC Code of Products/Services | % to total turnover of the Company |
|--------|---|-------------------------------|------------------------------------|
| 1. | Real Estates | 70109 | 100% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sl. No | Name and Address of the Company | CIN/GLN | HOLDING/ SUBSIDIARY/ ASSOCIATE | % of Shares held | Applicable Section |
|--------|---------------------------------|---------|--------------------------------|------------------|--------------------|
| | "NIL" | | | | |

I. SHAREHOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity)

| | | | | | | | | | |
|--|-------------|--------------|---------------|--------------|-------------|--------------|---------------|--------------|----------|
| Sub-total B(2) | 176 | 2117 | 2293 | 4.75 | 176 | 2117 | 2293 | 4.75 | - |
| Total Public shareholding B=B(1)+B(2) | 176 | 4239 | 4415 | 9.14 | 176 | 4239 | 4415 | 9.14 | - |
| C. Shares held by Custodian for GDRs&ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | 9120 | 39168 | 48,288 | 100.0 | 9120 | 39168 | 48,288 | 100.0 | - |

2) Shareholding of Promoters
a. Indian Individuals/ Hindu Undivided Family

| Sr.No. | Shareholder's Name | Shareholding at the beginning of the year | | | Share holding at the end of 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 | |
| 1 | Bharat Bajoria | 4549 | 9.42 | - | 4549 | 9.42 | - | - |
| 2 | Sharad Bajoria | 4316 | 8.94 | - | 4316 | 8.94 | - | - |
| 3 | Ramendra Bajoria | 3194 | 6.62 | - | 1041 | 2.16 | - | (4.46) |
| 4 | Krishna Kumar Bajoria | 2350 | 4.87 | - | 2350 | 4.87 | - | - |
| 5 | Raghav Bajoria | 2350 | 4.87 | - | 2350 | 4.87 | - | - |
| 6 | Vivek Bajoria | 1968 | 4.08 | -- | 1968 | 4.08 | - | - |
| 7 | Sangita Bajoria | 1909 | 3.95 | - | 1909 | 3.95 | - | - |
| 8 | Bharat Bajoria | 1630 | 3.37 | - | 1630 | 3.37 | - | - |
| 9 | Gayatri Devi Bajoria | 1279 | 2.65 | - | 1279 | 2.65 | - | - |
| 10 | Krishna Kumar Bajoria | 1040 | 2.15 | - | 1040 | 2.15 | - | - |
| 11 | Rajendra Bajoria | 960 | 1.99 | - | 960 | 1.99 | - | - |

| | | | | | | | | |
|--------------|----------------------------|--------------|--------------|----------|--------------|--------------|----------|--------------|
| 12 | Narendra Kumar Bajoria | 860 | 1.78 | - | 860 | 1.78 | - | - |
| 13 | Anand Bajoria | 696 | 1.44 | - | 696 | 1.44 | - | - |
| 14 | Devendra Bajoria | 610 | 1.26 | - | 610 | 1.26 | - | - |
| 15 | Bina Devi Bajoria | 525 | 1.09 | - | 2428 | 5.03 | - | +3.94 |
| 16 | Narendra Bajoria | 295 | 0.61 | - | 295 | 0.61 | - | - |
| 17 | Lilawati Bajoria | 50 | 0.10 | - | 50 | 0.10 | - | - |
| 18 | Shyam Lal Bajoria | 50 | 0.10 | - | 50 | 0.10 | - | - |
| 19 | B. P. Bajoria | 1 | - | - | 1 | - | - | - |
| 17 | B. P. Bajoria | 1 | - | - | 1 | - | - | - |
| 18 | B. P. Bajoria | 1 | - | - | 1 | - | - | - |
| 19 | Rajendra Bajoria | 310 | 0.64 | - | 310 | 0.64 | - | - |
| 20 | C.L.Bajoria & Others (HUF) | 27 | 0.06 | - | 27 | 0.06 | - | - |
| 21 | Neeraj Bajoria | - | - | - | 3161 | 6.55 | - | +6.55 |
| 22 | Rajendra Bajoria | - | - | - | 434 | 0.90 | - | +0.90 |
| | | | | | | | | |
| Total | | 28971 | 60.00 | - | 32316 | 66.92 | - | +6.92 |

b) Indian Body Corporates

| Sr.No. | Shareholder's Name | Shareholding at the beginning of the year | | | Share holding at the end of the year | | | %of change in share holding 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 | |
| 1. | Anudeep Inv. Co. Ltd | 5240 | 10.85 | - | 5240 | 10.85 | - | - |
| 2. | Davenport Co. Pvt Ltd | 5640 | 11.68 | - | 2479 | 5.14 | - | (6.54) |
| 3. | Teesta Vally Tea Co. Pvt Ltd | 1818 | 3.77 | - | 1818 | 3.77 | - | - |
| 4. | Craig Jute Mills Ltd | 677 | 1.40 | - | 677 | 1.40 | - | - |
| 5. | Bhagya Nidhi Exports Pvt | 798 | 1.65 | - | 798 | 1.65 | - | - |

| | | | | | | | | |
|----|---------------------------------------|--------------|--------------|----------|--------------|--------------|----------|---------------|
| | Ltd | | | | | | | |
| 6. | Banarhat Inv. Co. Pvt Ltd | 532 | 1.10 | - | 532 | 1.10 | - | - |
| 7. | Classique Trade Holding Ltd | 184 | 0.38 | - | - | - | - | (0.38) |
| 8. | Bajoria Properties Ltd | 8 | 0.02 | - | 8 | 0.02 | - | - |
| 9. | The Budge Budge Inv. Co. P. Ltd | 5 | 0.01 | - | 5 | 0.01 | - | - |
| | | | | | | | | |
| | | | | | | | | |
| | Total | 14902 | 30.86 | - | 11557 | 23.94 | - | (6.92) |

b. Change in Promoters' Shareholding (please specify, if there is no change)

There are few changes in the shareholding of Promoters during the year.

Shareholding of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

| Particulars | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | | Shareholding at the end of the year | |
|-------------|--------------------------|---|----------------------------------|---|----------------------------------|-------------------------------------|----------------------------------|
| Sr. No. | Name | No. of shares | % of total shares of the Company | No. of shares | % of total shares of the Company | No. of shares | % of total shares of the Company |
| 1 | Bank of Baroda | 875 | 1.81 | - | - | 875 | 1.81 |
| 2 | Bank of Baroda | 841 | 1.74 | - | - | 841 | 1.74 |
| 3 | Deokinandan Jalan | 258 | 0.54 | - | - | 258 | 0.54 |
| 4 | Bank of India | 203 | 0.42 | - | - | 203 | 0.42 |
| 5 | Star Trading Inv. Co.Ltd | 170 | 0.35 | - | - | 170 | 0.35 |
| 6 | Pawan Kumar Kanoria | 150 | 0.31 | - | - | 150 | 0.31 |
| 7 | Arun Kumar Kanoria | 150 | 0.31 | - | - | 150 | 0.31 |
| 8 | Bank of India | 100 | 0.21 | - | - | 100 | 0.21 |
| 9 | Kashi Prasad Kanoria | 100 | 0.21 | - | - | 100 | 0.21 |
| 10 | Baijnath Jalan | 100 | 0.21 | | | 100 | 0.21 |

There is no change in the shareholding off the top ten shareholders during the year

3)Shareholding of Directors and Key Managerial Personnel

| Particulars | Shareholding at the beginning of the year | Cumulative Shareholding during the year | Shareholding at the end of the year |
|-------------|---|---|-------------------------------------|
| | | | |

| Sr. No | Name | No. of shares | % of total shares of the Company | No. of shares | % of total shares of the Company | No. of shares | % of total shares of the Company |
|--------|------------------------|---------------|----------------------------------|---------------|----------------------------------|---------------|----------------------------------|
| 1 | Bharat Bajoria | 6179 | 12.79 | - | - | 6179 | 12.79 |
| 2 | Sharad Bajoria | 4316 | 8.94 | - | - | 4316 | 8.94 |
| 3 | Pranab Kumar Mookerjee | 14 | 0.03 | - | - | 14 | 0.03 |
| 4. | Dhanraj Baid | 5 | 0.01 | - | - | 5 | 0.01 |
| | Total | 10514 | 21.77 | - | - | 10514 | 21.77 |

There is no change in the shareholding of Directors & Key Managerial Personnel during the year.

II. 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 | NIL | NIL | NIL | NIL |
| Principal Amount | | | | |
| Interest due but not paid | | | | |
| Total (i+ii+iii) | | | | |
| Change in Indebtedness during the financial year | NIL | NIL | NIL | NIL |
| Addition | | | | |
| Reduction | | | | |
| Net Change | | | | |
| Indebtedness at the end of the financial year | NIL | NIL | NIL | NIL |
| Principal Amount | | | | |
| Interest due but not paid | | | | |
| Interest accrued but not due | | | | |
| Total (i+ii+iii) | NIL | NIL | NIL | NIL |

III. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

| Sr. No. | 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 | NIL | NIL | NIL |
| | (b) Value of perquisites u/s 17(2) Income-tax Act,1961 | NIL | NIL | NIL |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | NIL | NIL | NIL |
| 2 | Stock Option/Sweat Equity | NIL | NIL | NIL |
| 3 | Commission - as a % of Profit | NIL | NIL | NIL |
| 4 | Others, please specify | NIL | NIL | NIL |
| | | | | |
| | Total (A) | NIL | NIL | NIL |
| | Ceiling as per the Act | NA | NA | NA |

B. Remuneration to Directors

| Sr. No. | Particulars of Remuneration | Name of Directors | | | | | | |
|---------|--|-------------------|----------------|-----------------|----------------|-------------------|--------------|-----|
| | | Mr. B Bajoria | Mr. S. Bajoria | Mrs. S. Bajoria | Mr. M. Bajoria | Dr. P.K.Mookerjee | Mr. R.K.Dxit | |
| 1 | Gross salary | Rs | Rs | Rs | Rs | Rs | Rs | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961 | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| | (b) Value of perquisites u/s 17(2) Income-tax Act,1961 | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 2 | Stock option/Sweat Equity | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 3 | Commission - as a % of Profit | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 4 | Others(Sitting Fess) | 40,000 | 40,000 | 40,000 | 30,000 | 40,000 | 30,000 | |
| | Total (B) | 40,000 | 40,000 | 40,000 | 30,000 | 40,000 | 30,000 | |
| | | | | | | | | |
| | Ceiling as per the Act | NA | NA | NA | NA | NA | NA | NA |

C. Remuneration to key managerial personnel other than MD/MANAGER/WTD

| No. | Particulars of Remuneration | Name of CEO/CFO/CS | | | Total (Rs) |
|-----|---|-----------------------|------------------------|--------------------------|------------------|
| | | D. R. Baid - CEO (Rs) | G. L. Nowal - CFO (Rs) | Pranita Kejriwal-CS (Rs) | |
| 1 | Gross salary | 7,02,000 | 5,30,520 | 39,600 | 12,72,120 |
| | (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 | NIL | NIL | NIL | NIL |
| 2 | Stock Option/Sweat Equity | NIL | NIL | NIL | NIL |
| 3 | Commission - as a % of Profit | NIL | NIL | NIL | NIL |
| 4 | Others(Dividend | 250 | NIL | NIL | 250 |
| | | | | | |
| | Total (B) | 7,02,250 | 5,30,520 | 39,600 | 12,72,370 |
| | Ceiling as per the Act | NA | NA | NA | NA |

PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There is no penalties/ punishment/ compounding of offences against Company, Directors and any other officers.

For and on behalf of the Board of Directors

Bharat Bajoria (DIN:00109241)

Director

Place: Kolkata
Date: 05/09/2017

-

ANNEXURE II

FORM AOC-2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

Details of contracts or arrangements or transactions not at arm's length basis

"NA"

**For and on behalf of the Board of
Directors**

Bharat Bajoria (DIN:00109241)

Director

**Place: Kolkata
Date: 05/09/2017**

ANNEXURE III

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of McLeod & Co. Limited

We have examined the compliance of conditions of Corporate Governance by McLeod & Co. Limited ('the Company') for the year ended March 31, 2017. As the Company is listed on Calcutta Stock Exchange, compliances as stipulated in Regulations 17,18,19,20,21,22,23,24,25,26,27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the Securities and Exchange of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (collectively referred to as "SEBI Listing Regulation, 2015") is not applicable to the Company. Further as per the decision of the Management and better internal control system the Company has complied with the Annual Corporate Governance Disclosure Requirement.

The compliance of conditions is the responsibility of the management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions Securities and Exchange of India (Listing Obligations and Disclosure Requirements) Regulation, 2015. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata

Date: 28.08.2017

Disha Dugar

Practicing Company Secretary

Memb. No. F 8128

CoP No. 10895

ANNEXURE IV

DISHA DUGAR

Practicing Company Secretary

**2, Synagogue Street,
2nd Floor, Kolkata-700 001**

Mail: info@corporateadvisorslawprofessionals.in

Ph.: +91-033-40071145

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]*

To

The Members,

MCLEOD & COMPANY LIMITED

MCLEOD HOUSE, 3, N S ROAD KOLKATA, WB 700001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **McLeod & Company Limited**, hereinafter called the (Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **McLeod & Company Limited** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized 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, 2017 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 **McLeod & Company Limited**, ("the Company") for the financial year ended on 31st March, 2017 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under with the following Non-Compliances:

- Company Secretary appointed as per Section 203 of the Act on 01/11/2016.

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;

(iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(v) Corporate Governance Voluntary Guidelines- 2009 issued by the Ministry of Corporate Affairs, Government of India;

(vi) The Reserve Bank of India Act, 1934;

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Obligations and Disclosure Requirements (LODR), Regulations, 2015, except with the late publication of Financials for March, 2017 as per the Listing Regulations for the Financial Year under review

During the period under review the Company has complied with the provisions of the Co. Act, Rules, Regulations, Guidelines, Standards, etc.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and 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. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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.

Place: Kolkata
Date: 28.08.2017

Name of Company Secretary in practice:

Disha Dugar
FCS No. **8128**
C P No.: **10895**

R B S C & CO.

CHARTERED ACCOUNTANTS

(Formerly S. S. Kothari & Co.)

S.S. KOTHARI
R.K. ROYCHODHURY
T.K. SENGUPTA

B.Com., C.T.A. (LOND), F.C.A.
B.Sc., B.Com., F.C.A.
B.Com., LL.B., F.C.A.

R.N. BARDHAN
P.K. BHATTACHARYA
S. CHAKRABORTY

B.Com., F.C.A.
B.Com., F.C.A.
B.Com., F.C.A., D.I.S.A. (I.C.A.I.)

CENTRE POINT, ROOM NO. 314

21, OLD COURT HOUSE STREET

KOLKATA - 700 001

Phone : 2248-2758, 2248-0279

e-mail : rbsc.ca@gmail.com

sskotharico@gmail.com

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF McLEOD & COMPANY LIMITED

1. Report on the Financial Statements

We have audited the accompanying financial statements of McLeod & Company Ltd. ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements to give a true and fair view of the financial position, financial performance and cash flows 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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.

3. Auditor's Responsibility

- Our responsibility is to express an opinion on these financial statements based on our audit.
- We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
- We have conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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 statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 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 presentation 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.

4. Basis of Qualification

- Liability on account of gratuity payable to employees on retirement for Rs. 19,83,301 ascertained on the basis of actuarial valuation has been provided but has not been funded.
- In the absence of (i) Break-up value of Unquoted Shares, Book value has been taken as cost and (ii) Quotation of some of the Quoted Shares as at the end of the financial year not being available last quoted rates have been taken as market rate.

- c) No interest has been provided on Convertible Notes on the basis of legal opinion, obtained by the company

1. Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements except stated on the basis of qualification give the information required by the Act in the matter 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 March 31, 2017, its profit and its cash flows for the year ended on that date.

2. Report on Other Legal and Regulatory Requirements

- a) As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as "the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order
- b) As required by Section 143(3) of the Act, we report that:
- (i) 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.
 - (ii) 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.
 - (iii) 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.
 - (iv) 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 except compliance of Deferred Tax (AS-22).
 - (v) On the basis of the written representations 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, 2017 from being appointed as a Director in terms of Section 164(2) of the Act.
 - (vi) Our report on adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, has been stated in Annexure B and
 - (vii) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, In our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - a) The Company has disclosed the impact of pending litigation in Note No. (d) under Other Notes.
 - b) The Company has neither made any long term contract nor any derivative contracts.
 - c) The Company has no amounts required to be transferred, to the Investor Education and Protection Fund during the year ended March 31, 2017.
 - d) The Company has provided requisite disclosure in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of account, maintained by the Company

For R. B. S. C. & CO.

Chartered Accountants
Firm Regn. No. 302034E

Place: Kolkata
Date: 5th September, 2017

R. K. Roy Chaudhury
Partner
Membership No. 008816

Annexure –A to the Auditors' Report

As referred to in paragraph (a) of our Report of even date on "Other Legal and Regulatory Requirements", we state that:

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets save and except in respect of Furniture & Fixtures, acquired prior to 1982 .
(b) The fixed assets are physically verified by the Management during the year according to a programme designed to cover all the items over a period of one year and no discrepancies have been noticed on such verification.
(c) According to the information and explanations given to us and on the basis of our examination of records of the Company the title deeds of the immoveable properties are in the name of the Company
2. (a) The Company is a property Company. It also deals in shares & securities. Its inventory includes shares & securities. The physical verification of its inventory has been conducted by the management during the year. No discrepancies have been noticed on such physical verification as compared to book records.
(b) The procedures of physical verification followed up by the Company is reasonable and adequate in relation to the size of the Company and the nature of its business.
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. Therefore, the provisions of Clause 3 (iii) (a) and (iii)(b) of the said Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act with respect to investments made. During the year, the Company has not given any loan, guarantee and provided any security. However a Guarantee given by the Company as ex-managing Agents in the earlier year for loan taken by an ex-managed Company from a Bank had devolved on the Company and the Bank had obtained a decree against the Company for recovery. The matter has been amicably settled with the Bank and the total settled amount aggregating to Rs. 209.46 Lacs had been paid/adjusted and charged in the profit and Loss A/c in the earlier years. However the Loss is likely to be reduced against realisation from the assets of the managed Company to be subrogated by the Bank in favour of the Company, for which formalities are in process. The recovery out of such subrogated securities will be accounted for as and when realised.
5. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed there-under to the extent notified.
6. The Company is not a manufacturing Company and therefore the maintenance of cost records under Sub-Section (1) of Section 148 of the Act is not required.
7. (a) According to the information and explanations given to us and the records of the Company Examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, central sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they became payable

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of cess, service tax, duty of customs and excise, which have not been deposited on account of any dispute except the Demand of Rs. 48.45 Lacs on account of income tax for assessment year 2013-14 in respect of which, appeal is pending before CIT (Appeals).
8. The Company has not obtained any Loan from bank, government or financial institution or raised any money through issue of Debentures.
9. During the year the Company has not taken term loan from bank or raised money by way of initial Public offer or further Public offer.
10. During the course of examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid / provided for managerial remuneration. Accordingly Paragraph (ix) of the Order is not applicable.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions 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
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For R. B. S. C. & CO.
Chartered Accountants
Firm Regn. No. 302034E

Place: Kolkata
Date: 5th September, 2017

R. K. Roy Chaudhury
Partner
Membership No. 008816

Annexure – B to the Auditors' 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 McLeod & Company Limited ("the Company") as of 31st March, 2017 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 Companies Act, 2013.

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 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 evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls system over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, 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 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 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 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 systems over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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.

For R. B. S. C. & CO.
Chartered Accountants
Firm Regn. No. 302034E

Place: Kolkata
Date: 5th September, 2017

R. K. Roy Chaudhury
Partner
Membership No. 008816

McLEOD & COMPANY LIMITED
McLeod House, 3, Netaji Subhas Road, Kolkata-700001
BALANCE SHEET AS AT 31ST MARCH 2017

| | Note | As at March 31, 2017 (Rs.) | As at March 31, 2016 (Rs.) |
|---------------------------------------|------|-------------------------------|-------------------------------|
| <u>EQUITY AND LIABILITIES</u> | | | |
| <u>SHAREHOLDERS' FUND</u> | | | |
| Share Capital | 1 | 4,828,800 | 4,828,800 |
| Reserves and Surplus | 2 | 74,804,256 | 67,585,016 |
| | | 79,633,056 | 72,413,816 |
| <u>NON-CURRENT LIABILITIES</u> | | | |
| Other Long-Term Liabilities | 3 | 2,875,608 | 2,875,608 |
| Long-Term Provisions | 4 | 1,636,508 | 1,727,479 |
| | | 4,512,116 | 4,603,087 |
| <u>CURRENT LIABILITIES</u> | | | |
| Trade Payables | 5 | 398,849 | 398,849 |
| Other Current Liabilities | 6 | 7,937,170 | 7,247,587 |
| Short-Term Provisions | 7 | 7,233,891 | 5,765,915 |
| | | 15,569,910 | 13,412,351 |
| TOTAL | | 99,715,082 | 90,429,254 |
| <u>ASSETS</u> | | | |
| <u>NON-CURRENT ASSETS</u> | | | |
| Fixed Assets-Tangible | 20 | 22,594,796 | 21,977,413 |
| Non-Current Investments | 8 | 15,000,000 | - |
| Long-Term Loans & Advances | 9 | 1,626,685 | 1,626,685 |
| | | 39,221,481 | 23,604,098 |
| <u>CURRENT ASSETS</u> | | | |
| Current Investments | 19 | 6,297,860 | 6,297,860 |
| Trade Receivables | 10 | 20,948,803 | 21,470,311 |
| Cash and Cash Equivalents | 11 | 25,007,968 | 28,547,281 |
| Short-Term Loans & Advances | 12 | 8,238,970 | 10,509,704 |
| | | 60,493,601 | 66,825,156 |
| TOTAL | | 99,715,082 | 90,429,254 |

Accounting Policies & Notes on 21

The Notes are an integral part of the Financial Statements

As per our Report annexed

On behalf of the Board of Directors

For R. B. S. C. & CO.
Chartered Accountants
FRN No.: 302034E

Bharat Bajoria
DIN 00109241

Sharad Bajoria
DIN 00685230

Mudit Bajoria
DIN 00015402

Pranab Kumar Mookerjee
DIN 00110648

DIRECTORS

R. K. ROYCHOWDHURY
Partner

Membership No.: 008816
Kolkata, the 5th Day of September, 2017.

Dhanraj Baid
Chief Executive Officer

Girdhari Lal Nowal
Chief Financial Officer

Pranita Kejriwal -Company Secretary

McLEOD & COMPANY LIMITED**McLeod House, 3, Netaji Subhas Road, Kolkata-700001****STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2017**

| PARTICULARS | Note | For the year ended 31st March, 2017 (Rs.) | For the year ended 31st March, 2016 (Rs.) |
|--------------------------------------|-------------|--|--|
| <u>INCOME</u> | | | |
| Revenue from Operations | 13 | 25,275,480 | 25,490,123 |
| Other Income | 14 | 4,854,626 | 2,089,491 |
| Total Revenue | | 30,130,106 | 27,579,614 |
| <u>EXPENDITURE</u> | | | |
| Changes in Inventory | 15 | - | - |
| Employee Benefit Expenses | 16 | 4,232,613 | 3,743,729 |
| Other Expenses | 17 | 12,085,764 | 10,805,991 |
| Depreciation | 18 | 7,497 | 13,559 |
| Total | | 16,325,874 | 14,563,279 |
| Profit/ (Loss) before Tax | | 13,804,232 | 13,016,335 |
| <u>Tax Expense:</u> | | | |
| Current Tax | | 3,400,000 | 2,860,000 |
| Tax for earlier years | | (302,107) | (47,206) |
| Profit / (Loss) for the year | | 10,706,339 | 10,203,541 |
| Earnings per Ordinary Share | | | |
| Basic and Diluted per share (in Rs.) | | 221.72 | 211.31 |

Accounting Policies & Notes on Accounts **21**

The Notes are an integral part of the Financial Statements

As per our Report annexed

For R. B. S. C. & CO.

Chartered Accountants

FRN No.: 302034E

On behalf of the Board of Directors

Bharat Bajoria

DIN 00109241

Sharad Bajoria

DIN 00685230

Mudit Bajoria

DIN 00015402

Pranab Kr Mookerjee

DIN 00110648

DIRECTORS

R. K. ROYCHOWDHURY

Partner

Membership No.: 008816

Kolkata, the 5th Day of September, 2017.

Dhanraj Baid
Chief Executive OfficerGirdhari Lal Nowal
Chief Financial Officer

Pranita Kejriwal -Company Secretary

McLEOD & COMPANY LIMITED
McLeod House, 3, Netaji Subhas Road, Kolkata-700001
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2017

(Pursuant to Clause 32 of Listing Agreement)

| CASH FLOW FROM OPERATING ACTIVITIES | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
|---|---------------------------------------|---------------------------------------|
| | Rs | Rs |
| Net Profit/(Loss) before tax & extraordinary items | 13,804,232 | 13,016,335 |
| Add/(Less): Adjustments for | | |
| Depreciation | 7,497 | 13,559 |
| Income from investment in Mutual Fund | (80,405) | - |
| Dividend on investments | (89,612) | (37,978) |
| Interest Income | (4,684,537) | (2,051,513) |
| Operating profit / (loss) before working capital changes | 8,957,175 | 10,940,403 |
| (Increase)/Decrease in trade receivable | 521,508 | (294,465) |
| (Increase)/Decrease in stock of Shares | - | - |
| (Increase)/Decrease in loans & advances | 2,270,734 | (413,364) |
| Increase/(Decrease) in trade payables/current liabilities | 2,066,588 | 1,922,282 |
| Cash generated from operations | 13,816,005 | 12,154,856 |
| Tax Paid | (3,097,893) | (2,812,794) |
| Cash flow before extraordinary items | 10,718,112 | 9,342,062 |
| Net Cash from Operating activities | 10,718,112 | 9,342,062 |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Acquisition of Fixed Assets | (624,880) | - |
| Investment in Mutual Fund | (15,000,000) | - |
| Dividend & Dividend Distribution Tax | (3,487,098) | (2,905,915) |
| Dividend Distribution Tax for earlier year | (1) | (29,491) |
| Income from investment in Mutual Fund | 80,405 | - |
| Interest received | 4,684,537 | 2,051,513 |
| Dividend received on investments | 89,612 | 37,978 |
| Net Cash used in Investing activities | (14,257,425) | (845,915) |
| Net increase/(decrease) in cash and cash equivalents | (3,539,313) | 8,496,147 |
| Opening cash and bank balances | 28,547,281 | 20,051,135 |
| Closing cash and bank balances | 25,007,968 | 28,547,281 |

Notes:

Above statement has been prepared in indirect method as given in Accounting Standard - 3

As per our Report of even date attached

On behalf of the Board of Directors

For R. B. S. C. & CO.

Chartered Accountants

FRN No.: 302034E

R. K. ROYCHOWDHURY

Partner

Membership No.: 008816

Kolkata, the 5th Day of September, 2017.

Bharat Bajoria

DIN 00109241

Sharad Bajoria

DIN 00685230

Mudit Bajoria

DIN 00015402

Pranab Kr Mookerjee

DIN 00110648

DIRECTORS

Dhanraj Baid

Chief Executive Officer

Girdhari Lal Nowal

Chief Financial Officer

Pranita Kejriwal -Company Secretary

McLEOD & COMPANY LIMITED

McLeod House, 3, Netaji Subhas Road, Kolkata-700001

Notes to Financial Statements for the year ended 31st March, 2017

| | | As at 31st March, 2017 (Rs) | As at 31st March, 2016 (Rs) |
|---|--|-----------------------------------|-----------------------------------|
| 1 SHARE CAPITAL | | | |
| Number Authorised | | | |
| 65,000 Ordinary Shares of Rs.100/- each | | 6,500,000 | 6,500,000 |
| (65,000) | | | |
| 50,000 9.33% Redeemable Cumulative Preference | | | |
| (50,000) Shares of Rs. 100/- each | | 5,000,000 | 5,000,000 |
| | | <u>11,500,000</u> | <u>11,500,000</u> |
| Issued, Subscribed and fully Paid-up | | | |
| 48,288 Ordinary Shares of Rs.100/- each | | 4,828,800 | 4,828,800 |
| (48,288) | | | |
| | | <u>4,828,800</u> | <u>4,828,800</u> |

- a) The company has issued Ordinary Shares having par value of Rs.100/- per share. Each holder of Ordinary Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the board of directors is subject to the approval of shareholders in the Annual General Meeting. In the event of liquidation, the Ordinary shareholders are eligible to receive the remaining assets of the company after payment of all preferential amounts, in proportion of their shareholding.
- b) There has been no change/movements in number of Ordinary shares outstanding at the beginning and at the end of the reporting period.
- c) No shares has been issued for consideration other than cash during last preceeding 5 years.
- d) Details of shareholders, holding more than 5% of the Ordinary shares in the company:

| | As at 31st March, 2017 | | As at 31st March, 2016 | |
|----------------------------|------------------------|--------------|------------------------|--------------|
| | No. of Shares | % Holding | No. of Shares | % Holding |
| Bharat Bajoria | 6179 | 12.79 | 6179 | 12.79 |
| Anudeep Investment Co. Ltd | 5240 | 10.85 | 5240 | 10.85 |
| Sharad Bajoria | 4316 | 8.94 | 4316 | 8.94 |
| Neeraj Bajoria | 3161 | 6.55 | - | - |
| Davenport & Co. (P) Ltd | 2479 | 5.13 | 5640 | 11.68 |
| Bina Devi Bajoria | 2428 | 5.03 | - | - |
| Ramendra Bajoria | - | - | 3194 | 6.62 |
| | <u>23803</u> | <u>49.29</u> | <u>24569</u> | <u>50.88</u> |

McLEOD & COMPANY LIMITED

McLeod House, 3, Netaji Subhas Road, Kolkata-700001

Notes to Financial Statements for the year ended 31st March, 2017

| | | As at 31st March, 2017 (Rs) | As at 31st March, 2016 (Rs) |
|--|--------------------|-----------------------------------|-----------------------------------|
| 2 RESERVES AND SURPLUS | | | |
| Revaluation Reserve | | | |
| As per last Account | | 17,532,464 | 17,532,464 |
| | A | <u>17,532,464</u> | <u>17,532,464</u> |
| Capital Redemption Reserve | | | |
| As per last Account | | 5,000,000 | 5,000,000 |
| | B | <u>5,000,000</u> | <u>5,000,000</u> |
| Security Premium | | | |
| As per last Account | | 680,100 | 680,100 |
| | C | <u>680,100</u> | <u>680,100</u> |
| Convertible Notes Redemption Fund | | | |
| As per last Account | | 3,100,000 | 3,100,000 |
| | D | <u>3,100,000</u> | <u>3,100,000</u> |
| General Reserve | | | |
| As per last Account | | 3,500,000 | 1,000,000 |
| Add: Transfer from surplus in Profit & Loss A/c. | | 2,500,000 | 2,500,000 |
| | E | <u>6,000,000</u> | <u>3,500,000</u> |
| Surplus | | | |
| As per last Statement of Profit & Loss A/c. | | 37,772,452 | 33,004,317 |
| Add : Profit for the year | | 10,706,339 | 10,203,541 |
| Transfer to General Reserve | | (2,500,000) | (2,500,000) |
| Proposed Dividend on Ordinary Shares | | (2,897,280) | (2,414,400) |
| Dividend Distribution Tax on above | | (589,818) | (491,515) |
| Dividend Distribution Tax for previous year | | (1) | (29,491) |
| Net Surplus | F | <u>42,491,692</u> | <u>37,772,452</u> |
| | Total (A-F) | <u><u>74,804,256</u></u> | <u><u>67,585,016</u></u> |
| 3 OTHER LONG-TERM LIABILITIES | | | |
| Deposit against Maintenance Services | | 329,508 | 329,508 |
| Deposit against Rent | | 2,546,100 | 2,546,100 |
| | | <u>2,875,608</u> | <u>2,875,608</u> |
| 4 LONG-TERM PROVISIONS | | | |
| Provision for Employee Benefits | | | |
| Gratuity | | 1,636,508 | 1,727,479 |
| | | <u>1,636,508</u> | <u>1,727,479</u> |
| 5 TRADE PAYABLES | | | |
| For Goods & Services | | 398,849 | 398,849 |
| | | <u>398,849</u> | <u>398,849</u> |

McLEOD & COMPANY LIMITED

McLeod House, 3, Netaji Subhas Road, Kolkata-700001

Notes to Financial Statements for the year ended 31st March, 2017

| | As at 31st <u>March, 2017</u> (Rs.) | As at 31st <u>March, 2016</u> (Rs.) |
|---|---|---|
| 6 OTHER CURRENT LIABILITIES | | |
| Current maturities of Long Term Debt (Note No. 1B(I)) | | |
| 10% Convertible Notes of Rs 500/- each | 2,199,550 | 2,199,550 |
| Liabilities for Expenses | 3,201,031 | 2,264,580 |
| Advance | 61,849 | 500,952 |
| Unclaimed Preference Share Redemption Money | 777,400 | 779,900 |
| Unclaimed Dividend on Pref. Shares | 1,417,040 | 1,421,705 |
| Unclaimed Dividend on Ordinary Shares - 2015 | 80,400 | 80,900 |
| Unclaimed Dividend on Ordinary Shares - 2016 | 199,900 | - |
| | <u>7,937,170</u> | <u>7,247,587</u> |
| 7 SHORT-TERM PROVISIONS | | |
| Provision for Taxation | 3,400,000 | 2,860,000 |
| Proposed Dividend on Ordinary Shares | 2,897,280 | 2,414,400 |
| Dividend Distribution Tax on above | 589,818 | 491,515 |
| Gratuity (Payable within one year) | 346,793 | - |
| | <u>7,233,891</u> | <u>5,765,915</u> |
| 8 NON-CURRENT INVESTMENT -Quoted | | |
| In Mutual Funds (at cost or market price, whichever is lower)- | | |
| 246109.436 units of BSL Med-Term Plan RP- Growth | 5,000,000 | - |
| 1494.711 units of Franklin India Short-term Income Plan - Growth | 5,000,000 | - |
| 188218.352 units of DSP Blackrock Income Opp Fund - Growth | 5,000,000 | - |
| (Market Value Rs. 1,51,43,189/-) | <u>15,000,000</u> | <u>-</u> |
| 9 LONG-TERM LOANS & ADVANCES | | |
| Unsecured, considered good | | |
| Security Deposits | 1,626,685 | 1,626,685 |
| | <u>1,626,685</u> | <u>1,626,685</u> |
| 10 TRADE RECEIVABLES (Unsecured) | | |
| Outstanding for a period exceeding six months | | |
| Considered good | 19,934,483 | 20,287,545 |
| Considered Doubtful | 87,114 | 87,114 |
| | <u>20,021,597</u> | <u>20,374,659</u> |
| Provision for doubtful receivables | (87,114) | (87,114) |
| | <u>19,934,483</u> | <u>20,287,545</u> |
| Other Receivables | | |
| Considered good | 1,014,320 | 1,182,766 |
| | <u>20,948,803</u> | <u>21,470,311</u> |

McLEOD & COMPANY LIMITED

McLeod House, 3, Netaji Subhas Road, Kolkata-700001

Notes to Financial Statements for the year ended 31st March, 2017

| | As at 31st March, 2017 (Rs.) | As at 31st March, 2016 (Rs.) |
|---|------------------------------------|------------------------------------|
| 11 CASH AND CASH EQUIVALENTS | | |
| Balances With Banks : | | |
| In Fixed Deposit A/c (Maturity is less than one year) | 22,778,972 | 26,121,955 |
| In Current Accounts | 470,558 | 870,876 |
| In Unpaid Dividend A/c - Pref. Shares | 1,425,692 | 1,430,357 |
| In Unpaid Dividend A/c - Ordinary Shares - 2015 | 84,103 | 84,603 |
| In Unpaid Dividend A/c - Ordinary Shares - 2016 | 208,750 | - |
| Cash in hand | 39,893 | 39,490 |
| | 25,007,968 | 28,547,281 |

SPECIFIED BANK NOTES (SBN's) DISCLOSURE:

The details of Specified Bank Notes (SBN's) held and transacted during the period November 8, 2016 to December 30, 2016, as specified in the MCA Notification G.S.R. 308(E) dated March 31, 2017:

| Particulars | SBN's | Other Denomination | Total |
|--|----------|-----------------------|----------|
| | Rs. P | Rs. P | Rs. P |
| Closing Cash in hand as on November 8, 2016 | 39000.00 | 898.32 | 39000.00 |
| (+) Permitted receipts | - | 156530.00 | - |
| (-) Permitted payments | 9000.00 | 117530.00 | 9000.00 |
| (-) Amounts deposited in Bank | 30000.00 | - | 30000.00 |
| Closing Cash in hand as on December 30, 2016 | - | | 39898.32 |

12 SHORT-TERM LOANS & ADVANCES

Advance recoverable in Cash or in Kind-

Unsecured-considered good

Deposit with Debt Recovery Appellate Tribunal

Other Advances

Interest accrued on Bank Fixed Deposits

Interest accrued on Security Deposits

Prepaid Expenses

Advance payment of Income Tax

Multi-storeyed Building Tax

Cenvat Credit

| | |
|------------------|-------------------|
| - | 1,000,000 |
| 888,220 | 648,500 |
| 965,745 | 857,092 |
| 89,152 | 88,423 |
| - | 300 |
| 5,664,980 | 7,272,216 |
| 623,429 | 623,429 |
| 7,444 | 19,744 |
| 8,238,970 | 10,509,704 |

13 REVENUE FROM OPERATIONS

Sale of Shares

Rent Received

Maintenance, Hiring & Service Charges

| | |
|-------------------|-------------------|
| - | - |
| 18,045,840 | 18,045,840 |
| 7,229,640 | 7,444,283 |
| 25,275,480 | 25,490,123 |

McLEOD & COMPANY LIMITED
McLeod House, 3, Netaji Subhas Road, Kolkata-700001
Notes to Financial Statements for the year ended 31st March, 2017

| | As at 31st March, 2017 (Rs.) | As at 31st March, 2016 (Rs.) |
|--|------------------------------------|------------------------------------|
| 14 OTHER INCOME | | |
| Interest Income | | |
| On Banks Deposits | 2,268,680 | 1,953,265 |
| On Income Tax Refund | 1,316,374 | - |
| On Others | 1,099,483 | 98,248 |
| | <u>4,684,537</u> | <u>2,051,513</u> |
| Dividend on Stock-in-Trade of Shares | 89,612 | 37,978 |
| Income from Investment in Mutual Fund | 80,405 | - |
| Miscellaneous Receipt | 72 | - |
| | <u><u>4,854,626</u></u> | <u><u>2,089,491</u></u> |
| 15 (INCREASE)/ DECREASE IN CURRENT INVESTMENTS | | |
| Changes in inventories of Current investments (Shares) | | |
| Inventories at the beginning of the year | 6,297,860 | 6,297,860 |
| Inventories at the end of the year | 6,297,860 | 6,297,860 |
| | <u>-</u> | <u>-</u> |
| 16 EMPLOYEE BENEFIT EXPENSES | | |
| Salaries & Wages | 3,269,924 | 2,777,647 |
| Contribution to Provident & Other Funds | 231,597 | 223,605 |
| Contribution to Superannuation Scheme | 180,514 | 169,510 |
| Gratuity | 255,822 | 318,900 |
| Staff Welfare Expenses | 294,756 | 254,067 |
| | <u><u>4,232,613</u></u> | <u><u>3,743,729</u></u> |
| 17 OTHER EXPENSES | | |
| OPERATING & ADMINISTRATION | | |
| Electricity Charges | 6,087,112 | 6,120,864 |
| Insurance | 37,198 | 32,726 |
| Municipal Tax | 2,006,575 | 2,006,575 |
| Other Rates & Taxes | 4,625 | 4,625 |
| Repairing on Building | - | 592,410 |
| Payment to Statutory Auditors-Audit Fees | 30,000 | 30,000 |
| - Tax Audit Fees | 5,000 | 5,000 |
| -Certification Fees | 5,000 | - |
| Mainatenance Service | 2,002,612 | 1,027,706 |
| Legal Charges & Profesional Service Charges | 479,750 | 417,558 |
| Telephone Expenses | 31,702 | 30,478 |
| Directors' Fees | 220,000 | 200,000 |
| Miscellaneous Expenses | 217,580 | 230,748 |
| Bad Debts written off | 923,626 | 107,301 |
| Service Tax on Partial Service | 24,484 | - |
| Adjustment in respect of Earlier Year | 10,500 | - |
| | <u><u>12,085,764</u></u> | <u><u>10,805,991</u></u> |
| 18 DEPRECIATION AND AMORTIZATION EXPENSES | | |
| Depreciation on Tangible Assets | 7,497 | 13,559 |
| | <u><u>7,497</u></u> | <u><u>13,559</u></u> |

McLEOD & COMPANY LIMITED

Notes to Financial Statements for the year ended 31st March, 2017

Note No.: 19

Current Investments - Stock in trade of Shares and Securities (Fully paid-up - Valued at Cost or Market Price, whichever is lower)

| Particulars | FACE VALUE | As at 31st March, 2017 | | As at 31st March, 2016 | |
|---|---------------|------------------------|------------------|------------------------|------------------|
| | | NO. | AMOUNT | NO. | AMOUNT |
| | Rs. | | | | Rs. |
| A Quoted Equity Shares | | | | | |
| Nellimarla Jute Mills Co.Ltd. * | 10 | 14,914 | 74,570 | 14,914 | 74,570 |
| Bhatkawa Tea Inds. Ltd. * | 10 | 2,000 | 7,800 | 2,000 | 7,800 |
| Rajabhbat Tea Co. Ltd. ** | 10 | 5 | 41 | 5 | 41 |
| Baghmari Tea Co. Ltd. | 10 | 6 | 27 | 6 | 27 |
| Ranicherra Tea Co. Ltd. * | 10 | 3,300 | 34,848 | 3,300 | 34,848 |
| Dhunseri Petrochem & Tea Ltd. | 10 | 5,395 | 6,083 | 5,395 | 6,083 |
| Jayshree Tea & Ind. Ltd. | 5 | 4,258 | 37,257 | 4,258 | 37,257 |
| The Bormahjan Tea Co.(1936) Ltd. | 10 | 1 | 22 | 1 | 22 |
| Assam Brooke Ltd. | 10 | 100 | 1,565 | 100 | 1,565 |
| Sarover Trade & Associates Ltd. ** | 10 | 8,100 | 20,655 | 8,100 | 20,655 |
| Dhunseri Investments Ltd. | 10 | 2,697 | - | 2,697 | - |
| Dhunseri Tea & Industries Ltd. | 10 | 1,079 | 1,417 | 1,079 | 1,417 |
| Total of Quoted Equity Shares | | 41,855 | 184,285 | 41,855 | 184,285 |
| B Unquoted - Preference Shares | | | | | |
| Presidency Exports & Industries Ltd | 100 | 10,000 | 1,000,000 | 10,000 | 1,000,000 |
| C Unquoted - Equity Shares | | | | | |
| Empire Jute Co. Ltd. * | 10 | 7,950 | 39,750 | 7,950 | 39,750 |
| Indo Carbon Industries Ltd. | 10 | 157,500 | 1,531,725 | 157,500 | 1,531,725 |
| Perfect Career Consultants Ltd. | 10 | 100,000 | 1,000,000 | 100,000 | 1,000,000 |
| Rajabhbat Tea Holding Pvt. Ltd. | 100 | 9,000 | 751,500 | 9,000 | 751,500 |
| Chitavalsah Jute Mills Co. Ltd. | 100 | 3,500 | 52,500 | 3,500 | 52,500 |
| Belvedere Tower Pvt. Ltd. | 10 | 2,470 | 24,700 | 2,470 | 24,700 |
| Mirik Trading & Manufacturing Ltd. | 10 | 603,650 | 925,000 | 603,650 | 925,000 |
| Anudeep Investment Co. Ltd | 10 | 31,000 | 775,000 | 31,000 | 775,000 |
| D Unquoted - Debentures | | | | | |
| Woodlands Hospital And Medical Research Centre Ltd | 100 | 134 | 13,400 | 134 | 13,400 |
| E Shares in Companies (In Liquidation) | | | | | |
| Britannia Engineering Co. Ltd. * | 10 | 171,553 | NIL | 171,553 | NIL |
| New Mulajore Land Co. Ltd. | 10 | 1,000 | NIL | 1,000 | NIL |
| Burdwan Cutwa Railway Co. Ltd. | 100 | 90 | NIL | 90 | NIL |
| Total of Unquoted Shares | | 1,097,847 | 6,113,575 | 1,097,847 | 6,113,575 |
| | | 1,139,702 | 6,297,860 | 1,139,702 | 6,297,860 |

| | As on 31-03-2017 | | As on 31-03-2016 | |
|----------|------------------|--------------|------------------|--------------|
| | Book Value | Market Value | Book Value | Market Value |
| Quoted | 184,285 | 1,856,251 | 184,285 | 1,572,066 |
| Unquoted | 6,113,575 | | 6,113,575 | |
| | 6,297,860 | | 6,297,860 | |

Notes : -

- * 1. Indicates out of total holding in Britannia Engg. Co. Ltd. 68,664 nos of Shares & in the respect of other Shares entire holding have been pledged with various agencies, for which confirmation is pending.
- ** 2. Application for issue of duplicate shares have been made for i) Sarover Trade & Associates Ltd - 8100 & ii) Rajabhbat Tea Co. Ltd. - 5.

McLEOD & COMPANY LIMITED

FIXED ASSETS AS AT 31ST MARCH, 2017

Note No.:20

| DESCRIPTION OF ASSETS | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|---|---|--|--|---|----------------------------|--|---|--|---------------------------------------|---------------------------------------|
| | Cost and/or Book Value As at 31.03.2016 Rs. | Addition during the year Rs. | Sold / Written off during the year Rs. | Cost or Book Value As at 31.03.2017 Rs. | Up to 31.03.2016 Rs. | Written off for the year 31.03.2017 Rs. | On Sale / Written off during the year Rs. | Total Depreciation up to 31.03.2017 | Balance As at 31.03.2017 Rs. | Balance As at 31.03.2016 Rs. |
| Land (As valued by valuer in 1990) | 21,446,000 | - | - | 21,446,000 | - | - | - | - | 21,446,000 | 21,446,000 |
| Building (As valued by valuer in 1990) | 9,738,271 | - | - | 9,738,271 | 9,251,357 | - | - | 9,251,357 | 486,914 | 486,914 |
| Lift | 356,244 | 624,880 | - | 981,124 | 355,213 | - | - | 355,213 | 625,911 | 1,031 |
| Furniture & Fittings | 2,628,624 | - | - | 2,628,624 | 2,613,734 | 1,580 | - | 2,615,314 | 13,310 | 14,890 |
| Motor Car | 210,183 | - | - | 210,183 | 209,061 | - | - | 209,061 | 1,122 | 1,122 |
| Tubewell | 249,189 | - | - | 249,189 | 236,730 | - | - | 236,730 | 12,459 | 12,459 |
| Computer | 154,793 | - | - | 154,793 | 151,308 | 729 | - | 152,037 | 2,756 | 3,485 |
| Pump | 54,566 | - | - | 54,566 | 43,054 | 5,188 | - | 48,242 | 6,324 | 11,512 |
| T O T A L | 34,837,870 | 624,880 | - | 35,462,750 | 12,860,457 | 7,497 | - | 12,867,954 | 22,594,796 | 21,977,413 |
| Previous Year | 34,837,870 | - | - | 34,837,870 | 12,846,898 | 13,559 | - | 12,860,457 | 21,977,413 | 21,990,972 |

McLEOD & COMPANY LIMITED
McLeod House, 3, Netaji Subhas Road, Kolkata-700001

COUNTING POLICIES & NOTES ON ACCOUNTS

Note No. 21

ACCOUNTING POLICIES:

Basis of Accounting

- i) The financial statement have been prepared on an accrual basis and under the historical cost convention and in compliance in all material aspects, with the applicable accounting standards notified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies Act (Accounts) Rules, 2014.
- ii) All the 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 Schedule III to the Companies Act, 2013. Based on the nature of business the time of their realization in cash & cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

Tangible Assets

- i) Fixed Assets are valued at cost (including revaluation). The cost of acquisition or construction includes freight and other incidental expenses.
- ii) Depreciation for the year has been charged on written down value method over the remaining useful life, as prescribed in Schedule II to the Companies Act, 2013..

Inventories

Stock of Quoted Investments in Mutual Fund, Shares & Securities have been valued at cost or market price, whichever is lower. Stock of Unquoted Shares & Securities have been valued at cost price.

Retirement Benefits

- i) The liability for Gratuity is determined on the basis of actuarial valuation and has been recognised in the accounts.
- ii) Contribution to Provident Fund & Superannuation Scheme are made to the appropriate authorities regularly and debited to Profit & Loss Account on accrual basis.

Revenue Recognition

Revenue is recognized on completion of Sale of Shares etc. on the basis of contracts entered into and rendering of Services on accrual system except in respect of the following which would be accounted for as and when paid/received:-

- i) Dividend Income.
- ii) Interest on Investment etc
- iii) Insurance Claims, if any.
- iv) Insurance Premium.

OTHER NOTES:

- i) The Convertible Notes are secured by a Trust Deed and a Supplemental Trust Deed Creating a first specific charge by way of hypothecation of certain of the Company's Stock – in – Trade (Shares) and also a First charge on Land & Building by way of legal mortgage.
- ii) The Convertible Notes as shown under the heading "OTHER CURRENT LIABILITIES" were due for repayment on 31st December, 1972, but the Note-Holders adopted a Scheme on 23rd August, 1974, which was approved by the Controller of Capital Issues, Government of India, whereby the period of the Convertible Notes was extended upto 30th June, 1979. Since the Scheme expired in 1979, the Company is not liable to pay any interest thereafter on the basis of a legal opinion, obtained by the Company in this regard.

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COUNTING POLICIES & NOTES ON ACCOUNTS (Contd.)

Note No. 21

OTHER NOTES:

The Company had arrived at an amicable settlement with State Bank of India for devolvement of a Bank Guarantee issued to the Bank on behalf of an ex-managed Company and the settlement amount had been paid and charged in the accounts of earlier years. However formalities for available securities of the said ex-managed company to be subrogated to the Company by the Bank are in process and the recovery out of such subrogated securities will be accounted for as and when realised.

The Deferred Tax Assets have not been taken into account as a matter of prudence.

Disclosure as per AS-29 Provisions, Contingent Liabilities, pending appeal.

| | Rs. |
|--|-----------|
| i) In respect of Tax and Penalty for the Assessment Years 1975-76 to 1998-99 on account of Multi-storeyed Building Tax Act, 1979. (Advance paid against the said Demand Rs. 6.23 lacs) | 24,69,858 |
| ii) Penalty / Damage imposed by Regional Provident Fund Commissioner, pending appeal | 4,34,500 |
| iii) Income Tax under Appeal before C.I.T.(Appeals): | |
| For Assessment Year 2010 -11 (Demand fully paid) | 1,34,832 |
| For Assessment Year 2013 - 14 | 60,67,930 |
| In the opinion of the management, none of the above case is likely to go against the Company and hence no provision has been made | |

Related Party Disclosures:

Related Party & Key Managerial Personnel

Directors' Fees:

| | 2016-17 Rs. | 2015-16 Rs. |
|------------------------|----------------|----------------|
| a) Mr. B. Bajoria | 40,000 | 40,000 |
| b) Mr. S. Bajoria | 40,000 | 40,000 |
| c) Mr. M. Bajoria | 30,000 | 40,000 |
| d) Mrs. Shobha Bajoria | 40,000 | 30,000 |

KMP-Remuneration:

| | | |
|--|---------|---------|
| a) Mr. D. R. Baid (CEO) | 702,000 | 661,200 |
| b) Mr. G. L. Nowal (CFO - including P. F. Contribution) | 530,520 | 484,368 |
| c) Miss Pranita Kejriwal (CS- including P.F. Contribution) | 39,600 | - |

Dividend Paid:

| | | |
|------------------------------|---------|---------|
| a) Mr. B. Bajoria (Director) | 308,950 | 123,500 |
| b) Mr. S. Bajoria (Director) | 215,800 | 16,320 |
| c) Mr. D. R. Baid (CEO) | 250 | 100 |

Companies Under the common control

- a) Bormahjan Tea Co.(1936) Ltd.
- b) Teesta Valley Exports Ltd.
- c) Teesta Valley Tea Ltd.
- d) Trishul Co. Pvt. Ltd.
- e) Varsha Credit (P) Ltd.
- f) J. F. Low & Co. Ltd.
- g) Baghmari Tea Co. Ltd.
- h) Bajoria Properties Pvt. Ltd.
- i) Classique Trade & Holding Ltd.

The following transactions were carried out in the ordinary course of business with above companies under common control:

| | | |
|---|-----------|-----------|
| Rent Income | 216,684 | 216,684 |
| Hiring Income | 144,432 | 144,432 |
| Maintainence Income | 939,797 | 927,111 |
| Dividend Received | - | 3 |
| Dividend Paid | 90,900 | 36,340 |
| Outstading Trade Receivable at the year end | 6,890,068 | 6,154,295 |

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COUNTING POLICIES & NOTES ON ACCOUNTS (Contd.)
OTHER NOTES:

Note No. 21

Earnings per Share

| | 2016-17 | 2015-16 |
|--|----------------|----------------|
| Profit after taxation as per Profit & Loss Account | Rs. 10,706,339 | Rs. 10,203,541 |
| Weighted Average number of equity shares outstanding for basic EPS | 48,288 | 48,288 |
| Basic & Diluted EPS | 221.72 | 211.31 |

Disclosure as per AS-15 (Revised) on Employee Benefits

- a) Liability of Gratuity payable to employees on retirement estimated at Rs. 1,983,301/- as on 31st March, 2017 on the basis of actuarial valuation has been provided in the accounts but not funded.
- b) As required by AS-15 (Revised), amount of present value of obligation surplus or deficit in the plan assets & adjustment arising on planned liabilities etc. are given below:

| | As at 31.03.2017 Rs. | As at 31.03.2016 Rs. |
|--|----------------------------|----------------------------|
| I Components of Employers Expenses :- | | |
| 1. Current Service Cost | 83708 | 75,436 |
| 2. Interest Cost | 139154 | 1,25,786 |
| 3. Expected Return on Plan Assets | - | - |
| 4. Actuarial (Gain) / Loss | 39960 | 1,17,678 |
| 5. Expenses recognized in the Statement of Profit and Loss | 255822 | 3,18,900 |
| II Net (Assets)/Liability recognised in the Balance Sheet as at 31st March :- | | |
| 1. Present value of obligation as at 31st March | 1983301 | 17,27,479 |
| 2. Fair value of Plan Assets as at 31st March | - | - |
| 3. (Assets) / Liability recognised in the Balance Sheet | 1983301 | 17,27,479 |
| III Change in the Defined Benefits Obligation (DBO) during the year :- | | |
| 1. Present value of obligation as at beginning of the year | 1727479 | 14,08,579 |
| 2. Current Service Cost | 83708 | 75,436 |
| 3. Interest Cost | 139154 | 1,25,786 |
| 4. Actuarial (Gain) / Loss | 32960 | 1,17,678 |
| 5. Benefits paid | - | - |
| 6. Present value of obligation as at end of the year | 1983301 | 17,27,479 |
| IV Actuarial assumptions :- | | |
| 1. Discount rate (p.a)/% | 7.50 | 8.00 |
| 2. Expected rate of return (p.a)/% | - | - |
| 3. Salary escalation (p.a)/% | 6.00 | 6.00 |
| V Experience adjustment on account of actuarial assumption of Gratuity : | | |
| 1. Defined Benefits Obligation as at 31st March | Rs. 1983301 | Rs. 17,27,479 |
| 2. Plan Assets as at 31st March | - | - |
| 3. Surplus / (Deficit) | - | - |
| 4. Experience adjustment on Plan Assets | - | - |
| 5. Experience adjustment on Plan Liabilities | 52811 | 1,05,209 |

Previous Year's figures have been re-grouped or re-arranged, wherever necessary.