

May 25, 2018

To,

The Listing Compliance Department,
National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra [East], Mumbai – 400 051,
Maharashtra, India.

Symbol: MACPOWER**Series: SM**

Sub.: Outcome of the Board Meeting held on Friday, May 25, 2018 and
Submission of Audited Financial Results for the half year and year ended
on March 31, 2018.

Ref.: Regulation 30 of SEBI [Listing Obligations and Disclosure Requirements]
Regulations, 2015.

Respected Sir/Madam,

We would like to inform you that the Board of Director of the Company at its meeting held on 25th May, 2018 has inter alia;

1. Considered and approved the Audited Financial Result for the half year and year ended on March 31, 2018 along with Auditor's Report.
2. Recommended a dividend of Re. 1/- per Equity Shares [i.e. 10% of the Face Value] of Rs. 10/- each for the financial year ended on March 31, 2018 subject to the approval of Shareholders in ensuing Annual General Meeting of the Company.*

* Company has received waiver letter to waive the right of receipt of dividend, recommended for the year ended on March 31, 2018 from Promoters and Promoter Group. The Board of Directors in this meeting has noted the Waiver request for Dividend from Promoter and Promoter group, Subject to approval of Amendment in Articles of Association giving power of Right of Waiver of Dividend in the ensuing Annual General meeting and accordingly Dividend will be declared and distribute to the Shareholders of the Company for the year ended on March 31, 2018.



3. Appointed CS Kalpesh P. Rachchh, Proprietor of K. P. Rachchh & Co., Practicing Company Secretary, Rajkot as the Secretarial Auditor of the Company for the Financial Year 2017-18 pursuant to section - 204 of the Companies Act, 2013 and the Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014. The Brief profile has been enclosed as Annexure - 1.
4. Appointed Sanjay B & Associates, Cost Accountants, as a Cost Auditor of the Company for the Financial Year 2018-19. The Brief profile has been enclosed as Annexure - 2.
5. Appointed Mr. Vishal Pandya, proprietor of M/s Prisha Accounting & Consultancy as the Internal Auditor of the Company pursuant to section - 138 of the Companies Act, 2013 and the Companies [Accounts] Rules, 2014. The Brief profile of Internal Auditor has been enclosed as Annexure - 3.
6. Constituted CSR Committee as per the requirement of the section - 135 of the Companies Act, 2013.
7. Approved Policy for determination of materiality of events ensuring Materiality as per Regulation 30 (4) (ii) of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015.

To comply with Regulation 30 (5) of the SEBI [Listing Obligation and Disclosure Requirements] Regulations, 2015, Board has authorized following Key Managerial Personnel to determine materiality of the event or information and for making disclosure to the Stock Exchange.

Sr. No.	Name of the Person	Designation	E-mail ID
1	Mr. Rupesh J. Mehta	Chairman and Managing Director	info@macpowercnc.com
2	Mr. Nikesh J. Mehta	Whole-Time Director	info@macpowercnc.com
3	Mr. Rajnikant M. Raja	Chief Financial Officer	cfo@macpowercnc.com

Further any one of above or Company Secretary & Compliance Officer of the Company is authorized to make disclosures under the aforesaid Regulation.

The Board Meeting commenced at 02:00 p.m. and concluded at 4:40 p.m.



This intimation of outcome of the Board Meeting is given pursuant to Regulation 30 of SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015.

Pursuant to Regulation 33 of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015, the Financial Statement with the Audit Report for the half year and year ended on March 31, 2018 as submitted by S. C. Makhecha & Associates, Statutory Auditors of the Company and Declaration for unmodified opinion on Auditors' Report has been enclosed herewith.

Kindly take the same on your record and acknowledge the receipt.

Thanking You.

For and on behalf of
Macpower CNC Machines Limited


[Rupesh J. Mehta]
Managing Director
DIN: 01474523



Place: Metoda, Rajkot

Enclosures:

- 1) Audited Financial Result for the year ended on March 31, 2018 along with Auditors Report.
- 2) Declaration for unmodified opinion on Auditors' Report.
- 3) Annexure '1' : Brief Profile of Secretarial Auditor.
- 4) Annexure '2' : Brief Profile of Cost Auditor.
- 5) Annexure '3' : Brief Profile of Internal Auditor.





AUDITOR'S REPORT

To,
The Members,
Macpower CNC Machines Limited
Rajkot.

-Report on the Financial Statements:

We have audited the accompanying Financial Statements of **Macpower CNC Machines Limited**, which comprise the Balance Sheet as at 31st March 2018 and the Statement of Profit & Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

-Management's Responsibility for the Financial Statements:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the Act) with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

-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, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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





An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of 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 the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

-Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. in the case of the Balance Sheet, of the state of affairs of the Company, as at 31st March, 2018; and
- ii. in the case of the Profit & Loss Account, of the Profit for the period ended on that date.

-Report on Other Legal and Regulatory Requirements:

As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of powers conferred by Section 143(11) of the Companies Act, 2013 (18 of 2013), We give in the Annexure "A" statement on the matters specified in paragraphs 3 and 4 of the order

As required by Section 143(3) of the Act, we report that:

- A. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- B. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of the books.
- C. The Balance Sheet and the Profit & Loss A/c. dealt with by this report are in agreement with the books of account.
- D. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.





- E. On the basis of written representations received from the Directors of the Company as on 31st March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

With respect to the adequacy of internal financial controls over financial reporting of the company and operative effectiveness of such controls, refer to our separate report in Annexure B to this report; and

With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- A. The Company does not have any pending litigations which would impact its financial position.
- B. The Company did not have any long term contracts including derivative contracts for which there were any foreseeable losses.
- C. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S. C. Makhecha & Associates

Chartered Accountants

Firm Regn. No. 120184W

Sanat C. Makhecha

Partner

M.No. 107192

Date: 25/05/2018

Place: Rajkot





ANNEXURE - A

Annexure referred to in and forming part of **Auditor's Report** of even date to the members of
As required by the Companies (Auditor's Report) Order, 2016 and in the terms of the information given

to us and on the basis of such checks as we considered appropriate, we further state that:-

- i(a) As informed to us, the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- i(b) As informed to us, the title deeds of immovable properties are held in the name of the company.
- i(c) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals and there were no material discrepancies noticed on such verification and if so, the same have been properly dealt with in the books of account;
- ii As explained to us, the physical verification of inventory has been conducted at reasonable intervals by the management and there were no material discrepancies noticed and if so, they have been dealt with in the books of account;
- iii As informed to us, the company has not granted loans, secured or unsecured to companies, firms or other parties covered by clause (76) of Section 2 of the Companies Act, 2013. If so,
 - iii(a) Reporting to this Clause is not Applicable.
 - iii(b) Reporting to this Clause is not Applicable.
 - iii(c) Reporting to this Clause is not Applicable.
- iv As informed to us, in respect of loans, investments and guarantees, the provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with.
- v As informed to us, the company has not accepted deposits, so the reporting to this Clause is not Applicable.
- vi As informed to us, the company has maintained records pursuant to rules prescribed by the Central Government for maintenance of cost records under sub section 1 of section 148 of the Act and are of the opinion that prima facie, the prescribed records have been maintained. However we have not conducted detailed examination of the records.
- vii(a) As informed to us, the company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Goods & Service Tax, Service tax, duty of Customs, duty of Excise, Value Added Tax, and any other statutory dues with the appropriate authorities
- vii(b) As informed and explained to us, there are disputed amount outstanding to deposit in respect of Value Added Tax as on 31/03/2018 as under:



AHMEDABAD | RAJKOT | JAMNAGAR



ANNEXURE - A

Annexure referred to in and forming part of **Auditor's Report** of even date to the members of
As required by the Companies (Auditor's Report) Order, 2016 and in the terms of the information given
to us and on the basis of such checks as we considered appropriate, we further state that:-

Sr. No.	Name of the Statute	Nature of Dues	Amount Involved	Year	Forum Against which the dispute is pending
1	Value Added Tax Act, 2003	Order of Commercial Tax Officer dated 31.03.2016	Rs. 1607840/- + Interest Rs. 11,57,660/-	F.Y.2011-12	Deputy Commissioner of Commercial tax(Appeals)
2	Value Added Tax Act, 2003	Order of Commercial Tax Officer dated 31.03.2017	Rs. 833966	F.Y. 2012-13	Commissioner of Commercial tax(Appeals)
3	Service Tax Act(Finance 1994)	Letter of Superintendent of Service Tax, AR-III dated 08/10/2013	Rs. 1,98,378/-	F.Y. 2013-14	Superintendent of Service Tax, AR III, S. Tax Devision, Rajkot

- viii As informed to us, the company has not defaulted in repayment of loans or borrowing to a financial institution, bank, government.
- ix During the year company has raised fund through Initial Public Offer. As per the regulation fund after routing through Escrow account reached to company in the last of March only. Thus the same was lying in companies bank account till 31st March 2018.
- x No fraud on or by the company has been noticed or reported during the year.
- xi As explained to us, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 of the Companies Act 2013.
- xii As the company is not a Nidhi Company, reporting to this clause is not applicable.
- xiii All transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the accounting standards and Companies Act, 2013.



ANNEXURE - A

Annexure referred to in and forming part of **Auditor's Report** of even date to the members of

As required by the Companies (Auditor's Report) Order, 2016 and in the terms of the information given

to us and on the basis of such checks as we considered appropriate, we further state that:-

- xiv During the year under review the company has made Private Placement of 4,25,000 Equity Shares at price of Rs. 126/- each including premium of Rs. 116/- each. Fund raised through Private Placement reached to company in the month February 2018. Though company started utilising the same behind the purpose for which it is raised but as at close of the year majority of fund is lying in company's bank account.
- xv As informed to us, the company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi As the company is not required to be registered u/s 45-IA of the Reserve Bank of India Act, 1934; reporting to this clause is not applicable.

For S. C. Makhecha & Associates

Chartered Accountants

Firm Regn. No. 120184W



Sanat C. Makhecha

Partner

M.No. 107192

Date: 25/05/2018

Place: Rajkot



ANNEXURE-B

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 **Macpower CNC Machines Limited**, ("the Company") as of 31st March, 2018 in conjunction with ~~my~~ our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial 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 over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.





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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting:

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion:

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018 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 S.C.Makhecha & Associates,
Chartered Accountants
FRN:120184W

Sanat Makhecha
Partner
Membership No. 107192

Place: Rajkot
Date: 25/05/2018



MACPOWER CNC MACHINES LIMITED

Converted from MACPOWER CNC MACHINES PRIVATE LIMITED to
MACPOWER CNC MACHINES LIMITED (W.E.F. 16th NOVEMBER, 2017)

Statement of Audited Financial Results for the Half Year and Year Ended on March 31, 2018

Part – 1

[Rs. In Lakh]

		Half Year ended as on		Year ended as on	
		September 30, 2017 [Audited]	March 31, 2018 [Audited]	March 31, 2018 [Audited]	March 31, 2017 [Audited]
1	INCOME FROM OPERATIONS				
I	Net Sales/Income from Operation/Revenue from Operations	4582.01253	6067.34507	10649.3576	6918.14848
II	Other Operating Income	64.74134	33.41938	98.16072	42.39079
III	Total income from Operations [Net] [I+II]	4646.754	6100.764	10747.51832	6960.53927
2	EXPENSES				
I	Cost of Materials Consumed	2304.642	4364.694	6669.33607	5368.88882
II	Changes in Inventories of Finished Goods, Work-In-Progress and Stock-in-Trade	903.82	-435.958	467.8625	-403.4653
III	Employee Benefit Expenses	537.5031	606.2599	1143.76304	859.65835
IV	Depreciation and Amortisation Expenses	43.0298	59.24976	102.27956	66.18907
V	Other expenses [Any item exceeding 10% of the total expenses relating to continuing operations to be shown separately]	477.3484	790.8789	1268.2273	932.36989
	Total Expenses	4266.344	5385.125	9651.46847	6823.64083
3	Profit / (Loss) from operations before other income, finance cost and exceptional item [1-2]	380.41	715.6398	1096.04985	136.89844
4	Other Income	-	-	-	-
5	Profit/ (Loss) from ordinary activities before finance costs and exceptional items [3+4]	380.41	715.6398	1096.04985	136.89844
6	Finance Costs	8.57039	12.53434	21.10473	40.2369
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items [5-6]	371.8397	703.1055	1074.94512	96.66154
8	Exceptional Items	-	-	-	-
9	Profit / (Loss) from ordinary activities before tax [7+8]	371.8397	703.1055	1074.94512	96.66154
10	Tax Expense	118.7759	251.9881	370.76399	18.26154
11	Net Profit for the period [9-10]	253.0638	451.1174	704.18113	78.4
12	Paid-up Equity Share Capital [Face Value of Rs. 10/- each]	72	980.8	980.8	60
13	Reserves excluding Revaluation Reserve	604.1499	3742.974	4347.1244	302.44322
14	Earnings Per Share				
	Basic	50.61	22.79	22.79	13.07
	Diluted				2.54



**MACPOWER CNC MACHINES LIMITED**Converted from MACPOWER CNC MACHINES PRIVATE LIMITED to
MACPOWER CNC MACHINES LIMITED (W.E.F. 16th NOVEMBER, 2017)**Notes:-**

1. The above Audited Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on May 25, 2018.
2. Figures have been regrouped wherever necessary or Previous year's figures have been regrouped/ recast wherever necessary to confirm the current half year's/ year's classification.
3. The Figures of the half year ended March 31, 2018 are the balancing figures between Audited figures for the year ended on March 31, 2018 and year to date figures upto the half year ended on September 30, 2017.
4. The above Financial Results are available on the website of the Company i.e. www.macpowercnc.com and on the website of Emerge of platform of National Stock Exchange of India Limited www.nseindia.com/emerge.
5. The Board recommended a dividend of Rs.1 /- per Equity Shares [10%] of the face value of Rs. 10/- each for the financial year ended on March 31, 2018 subject to the approval of Shareholders in ensuring Annual General Meeting of the Company.
6. This Statement has been prepared in accordance with section 133 and Schedule III of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.
7. The Company got listed its Shares on NSE Emerge on March 22, 2018.
8. The Disclosure is as per Regulation 33 of SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015.
9. The Company is operating in single segment. So, above results are for single segment only.

Date: May 25, 2018

Place: Metoda, Rajkot

For and on behalf of Board of Directors
Macpower CNC Machines Limited
[Rupesh J. Mehta]
Chairman and MD
DIN: 01474523
[Nikesh J. Mehta]
Whole-Time Director
DIN: 01603779
[Rajnikant M. Raja]
CFO
[Ekta Shukla]
Company Secretary



MACPOWER CNC MACHINES LIMITED

Converted from MACPOWER CNC MACHINES PRIVATE LIMITED to
MACPOWER CNC MACHINES LIMITED (W.E.F. 16th NOVEMBER, 2017)

STATEMENT OF ASSETS AND LIABILITIES

	Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
A.	EQUITY AND LIABILITIES			
1	EQUITY			
	Shareholders' Fund			
	Share Capital		980.8	60
	Reserve & Surplus		4347.1244	302.44322
2	LIABILITIES			
1	Non-Current Liabilities			
a	Long Term Borrowings		24.7899	71.80956
b	Deferred Tax Liabilities [Net]		-	-
c	Long Term Provisions		51.44151	-
2	CURRENT LIABILITIES			
	Short Term Borrowings		-	319.50028
	Trade Payables		3579.9543	2401.56424
	Other Current Liabilities		51.41009	71.8079
	Short Term Provisions		433.30655	25.07184
	Total		9468.8267	3252.19704
B.	ASSETS			
1	NON CURRENT ASSETS			
a	FIXED ASSETS			
-	Tangible Assets		445.54432	285.5557
-	Intangible Assets		7.57347	9.89642
-	Capital Work-In-Progress		6.1176	-
-	Intangible assets under development		-	-
b	Deferred Tax Asset [Net]		65.8528	42.06034
c	Non-Current Investments		-	-
d	Long-term loans and advances		120.29289	104.06024
e	Other Non-Current Assets		157.09804	-
2	CURRENT ASSETS			
a	Current Investments		750.64878	0.20962
b	Inventories		2768.0388	1730.916
c	Trade Receivables		416.24303	1037.74032
d	Cash & Cash Equivalents		3916.2847	5.92956
e	Short Term Loans & Advances		815.13228	35.82884
	Total		9468.8267	3252.19704
	Notes on Accounts	26		

Date: May 25, 2018

Place: Metoda, Rajkot

For and on behalf of Board of Directors

Macpower CNC Machines Limited

[Rupesh J. Mehta]
Chairman and MD
DIN: 01474523

[Nikesh J. Mehta]
Whole-Time Director
DIN: 01603779

[Rajnikant M. Raja]
CFO

[Ekta Shukla]
CS



May 25, 2018

To,

**The Listing Compliance Department,
National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra [East], Mumbai – 400 051,
Maharashtra, India.**

**Symbol: MACPOWER
Series: SM**

Sub: Declaration pursuant to Regulation 33 (3) (d) of SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 with respect to Audit Report for the half year and year ended on March 31, 2018 with unmodified opinion.

Respected Authority,

Pursuant to Regulation 33 (3) (d) of SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015, we hereby confirm and declare that Statutory Auditors of the Company S.C. Makhecha & Associates, Chartered Accountants [FRN: 120184W] have issued Auditor's Report with unmodified opinion in respect of Audited Financial Results for the half year and year ended on March 31, 2018 approved at Board Meeting held on May 25, 2018.

Kindly take the same on your records and acknowledge the receipt.

Thanking You.

For, **Macpower CNC Machines Limited**



**[Rajnikant M. Raja]
Chief Financial Officer**





PROFILE

CS KALPESH P. RACHCHH,
Proprietor of
K.P. RACHCHH & CO.,
PRACTICING COMPANY SECRETARY
317, KRISHNA CON-ARCH -II,
TAGORE ROAD,
RAJKOT - 360002

ABOUT K.P. RACHCHH & CO.:

- CS Kalpesh P. Rachchh, Practicing Company Secretary and Proprietor of the firm K.P. Rachchh & Co.
- Fellow member of the Institute of Company Secretaries of India and registered as member in the year 2001. Firm was established in November, 2001.
- Also the Partner in the firm M/s. Rachchh & Rachchha which exists since last 17 years and having about 17 years of experience in the field of Corporate Laws and ancillary areas.

EDUCATION QUALIFICATION:

B.com, LLB and Company Secretary.

AREAS OF PRACTICE & EXPERIENCE :

Experienced in following areas of Practice:

Company Law Matters, Matters in relation to 100% export oriented units, Trade Mark related matters, Registration and maintenance of NBFCs and FEMA related matters. Providing Consultancy services to various listed Companies, Banks, NBFCs and Broking Companies. Also acted as Scrutinizer of General Meetings of Listed Company and has conducted Secretarial Audits of big Companies.

BORAD SANJAY B & ASSOCIATES

COST ACCOUNTANTS

Firm Regn No. 102408

303, Investment House, Opp. Gandhigram Rly Station,

Off Ashram Road, Ahmedabad -380019

Mobile No. : +91-9879513331 | Email-ID : boradsanjay@gmail.com

Profile of Proprietor SANJAY BULAKI BORAD'

Cost & Management Accountant (CMA), Company Secretary (CS), MBA-Fin, B'Com, Six Sigma Yellow Belt, 10 Years of Diverse Experience

He started his career as a relationship manager with *Citi Group*. He gained experience by understanding the company's lending policy and sophisticated processes to prevent the event of fraud. Then, he joined GHF Group, a *UK based MNC* to increase his exposure in the area of fixed income markets. It helped him to enhance his experience by trading in fixed income instruments like Euribor and German bonds.

He then worked with a *merchant banker* in the department of Private Equity, IPO and Project Financing. He undertook preparation of Valuation Reports, Company and Industry Comparison Reports, Financial Modeling and Analysis, Drafting of Information Memorandum and DRHP, Due Diligence Report etc.

He has also worked with the world's largest telecom company – *Vodafone*, for 3 years. He gathered experience in the area of accounting by understanding the sophisticated accounting processes of Vodafone which are divided into various departments such as P2P, O2C, TCM, L2D, R2R, MDA, UAM, Testing etc. Hands on experience in *SAP*, at Vodafone, add strength to his experience. By taking part in many cost reduction and automation initiatives, he acquired "Six Sigma Yellow Belt". He brought out drastic improvements in certain processes using basic tools like Excel, Access, Macro etc.

At Vodafone, he enriched his experience by working on setting up the finance operations for its new business vertical i.e. MPaisa – Mobile to Mobile Money Transfer. Liasoning with banks, IT partner - IBM and Mpaisa team, he helped Vodafone to integrate the system as per Indian Laws and practices.

He has been a Guest Lecturer in many Institutions – Ahmedabad Management Association, Royal Business School, Anagram's Knowledge Academy, Saint Kabir Institute of Professional Studies and SAL Institute of Business Management. He runs a content based website primarily on Financial Management topics – www.eFinanceManagement.com having **8000** visitors a day from different parts of the world. Major visitors are from India, US and UK. He also developed content for website like www.sixsigmabasics.com.

Gathering experience, he moved into practice of cost accountancy in a partnership firm 'S A & Associates' to provide statutory services in the area of cost accounting and other professional services.

About Office and Team:

Our office is centrally located in Ahmedabad at Ashram Road. All senior as well as junior level team members are based at Ahmedabad. The team consists of 8 persons, which includes partners, associates, qualified accountants, trainees and other staff members. Other relevant information about our firm and office is as per the below mentioned table.

Firm Registration No. :	102408
PAN Card No. :	AEVPB8064L
Office Area :	650 Sq ft
Name of Proprietor :	Sanjay Bulaki Borad
Team :	Qualified Assistant –2 Support Staff – 4 Trainee – 3

MAJOR CLIENTS

Our clientele includes SMEs as well as established MNCs into various industries. Some of them are privately held companies and others are Public Limited and Listed companies on various Indian stock exchanges. In a practice vintage of around 4 years, 40 companies are offered services in diverse industries. Following is the brief snapshot to explain our footing to render services of cost consultancy and statutory compliances.

Size of the Companies (Revenue-wise): Ranges from 20Cr to 1200 Crs.

Demographics: Majorly Gujarat, Maharashtra, West Bengal and Himachal Pradesh.

Type of Industries:

- Aluminium & Aluminium Products (Foils, Wire Rods, Ingots, various De-oxidants)	- FMCG - (Frozen Foods, Packaged Food Products, Wafers, Sweets)
- Engineering and Automotive Components (Brake Drums, Housings, Hubs, CNC Machines)	- TILES (Ceramic, Vitrified, Frit, Marble Slabs)
- Electronic Components (Printed Circuit Boards)	- Organic and Inorganic Chemicals (Food Colours, Polymers, Industrial Re-agents, Dyes, Resins, Fibre Re-inforced Plastics)
- Textiles (Spinning & Weaving, Processing)	- Paper and its products (Corrugated Boxes, Laminates, Offset Cartons)
- Ship Breaking	- Construction and Infrastructure
- Dairy Products (Ice Cream, Milk and Milk Products)	- Furniture and Fixtures (Wooden Cabinates, Doors, Kitchens, Living rooms)
- Consumer Electronics (Mixture, Grinder, other Consumer Appliances etc)	- Plastics (Technical Textile) (Cement & Fertilizer Bags, Construction Fabric, FIBC, GeoTex etc)
- Dangee Dums A chain of Restaurant and Cake Shop.	- Plastics (Blow & Injection Moulding) (High and Low Density Bottles, Caps, Ring, etc)
- Hospitals (Multispecialty) Hospital chain with more than 400 Cr. Turnover.	- Gas Detectors (UPL Group)

Empanelled Consultants of Following Companies in Associate Partnership Firm: S A & Associates

Dun & BradStreet 	Vodafone Group (Mobile Commerce Solutions Limited) 
--	--

SERVICES OFFERED

STATUTORY COST ACCOUNTANT SERVICES:

Compulsory

1. COST AUDIT
2. COST COMPLIANCE CERTIFICATES
3. INTERNAL AUDIT (General Operations or Production Specific)
4. Preparation and guidance for COST RECORDS required under law
5. COST ACCOUNTING STANDARD – 4 Certificate for Captive Consumption
6. XBRL Services for Cost Audit and Cost Compliance
7. Special Audit u/s 14A and 14AA of Central Excise Act' 1944

Others

1. Fire Claims: Surveyor and Loss Assessor for loss of profit, fire, cash in transit, theft, fidelity etc. insurance claims.
2. Assessable Value Determination under Central Excise Act' 1944
3. Determination of Equalized Freight and VAT for approval of Price List etc
4. Profits earned by the entities from export business, new industrial undertaking etc. for Income Tax
5. Antidumping Cases

COST CONSULTANCY SERVICES:

1. COSTING OF PRODUCTS of Existing or Proposed Production Facility especially having multiple products
Depending on the purpose of costing, methods of costing could be Activity Based Costing, Absorption Costing, Marginal Costing, Target Costing, Standard Costing and Life Cycle Costing.
2. VARIANCE ANALYSIS: Comparison of Absorption Costing based on Actual data with Standard Costing of the company. Check reasons for variation between the two.
3. COSTING SYSTEM – INSTALLATION, IMPLEMENTATION AND FOLLOW UPS. Costing system is designed with minimum possible intervention in existing system of accounting in the organization.
4. MATERIAL FLOW COST ACCOUNTING – Real time inventory reporting system is evolved along with special focus on wastage accounting.
5. VALUATION OF STOCK for Reporting under Financial Statements
6. Buy or Make Services / Job Work vs. Self-Production
7. PRICING DECISIONS under multiple product scenarios.
8. Suggest areas of COST CONTROL AND REDUCTION.
9. Cost Determination for Cost plus Method of Transfer Pricing
10. Designing XLS Template for Price Quotation
11. Product Mix - Review and Ascertain Best Product Mix
12. Identifying Optimum Level of Inventories by implementing techniques such as Economic Order Quantity etc.
13. Asset Efficiency, Replacement Analysis

OTHER PROFESSIONAL SERVICES:

1. Budgeting and Budgetary Controls with special focus on profit management.
2. Stock / Asset Audit – Physical Verification
3. Process Review, Analyze and Improvement and Automation of Existing Processes wherever possible
4. Preparing Standard Operating Procedures
5. Develop tailor-made MIS for Best Decision Making
6. Risk Analysis, Quantification and Mitigation
7. Space Utilization in Warehouse

-:PROFILE:-
Mr. Vishal Sureshbhai Pandya
Internal Auditor

Proprietor Name	:	Mr. Vishal Sureshbhai Pandya
Firm Name	:	M/s. Prisha Accounting & Consultancy
Firm Constitution	:	Proprietorship Firm
Firm Address	:	A-301, Venus Gold Apartment, Opp. Kranti Gate, GIDC Metoda, Kalawad Road, Vajdi (Vad) – 360021 Dist : Rajkot.
Mobile No	:	+91 8469963927
E Mail ID	:	vishal.2020@gmail.com

ACADAMIC AND PROFESSIONAL QUALIFICATION OF PROPRIETOR:

- (1) 10TH STANDARD PASSED FROM PUNE BOARD IN 2000.
- (2) 12TH STANDARD PASSED FROM NASHIK BOARD IN 2002.
- (3) GRADUATE IN COMMERCE FROM SUARASHTRA UNIVERSITY IN 2006.

EXPERIENCE HISTORY:

- 1 YEAR EXPERIENCE AS AUDIT ASSISTANT IN NANAK PUNWANI & CO (C.A. FIRM)
- 2 YEAR EXPERIENCE AS CHIEF ACCOUNTANT IN FLAMINGO OVERSEAS PVT LTD(MERCHANT EXPORTER)
- 8 YEAR EXPERIENCE AS MANAGER ACCOUNTS IN MACPOWER CNC MACHINES PVT LTD(MANUFACTURER OF CNC MACHINES)

PROFESSIONAL KNOWLEDGE:

- BANK AUDIT EXPERIENCE WITH Mr. NANAK PUNWANI (C.A.) IN SBI.
- KNOWLEDGE OF LATEST TAX STRUCTURE ABOUT GST, TDS, IT.
- ABLE TO HANDLE FINALISATION ACCOUNTS IN PVT LTD.

DECLARATION:

I hereby declare that the information furnished above is true to the best of my knowledge.



Vishal Sureshbhai Pandya