



Marshall Machines Limited

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MARSHALL/2023-24

12-08-2023

To
National Stock Exchange of India Ltd.,
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E)
Mumbai – 400 051

Ref: Symbol-MARSHALL, ISIN-INE00SZ01018, Series-EQ

Sub: Outcome of Board Meeting held on 12-08-2023

Dear Sir,

We wish to inform you that Board of Directors in its meeting held today the 12th day of August, 2023 the board meeting commenced at 02:00 P.M. and concluded at 05.15 P.M., inter alia, considered and approved the following:

- The Un-Audited Financial Results for the Quarter Ended 30.06.2023.
- The Limited Review Report on Un-Audited Financial Results by issued by M/s S. Sood & Co, Statutory Auditors of the Company.

All the other agendas scheduled for this meeting have been deferred for the ensuing board meeting, which shall be intimated separately.

For MARSHALL MACHINES LIMITED

SIDDHANT SARUP
(Wholetime Director)
(DIN: 07779416)

Marshall Machines Limited

Regd. Office: C-86, Phase V, Focal Point, Ludhiana-141010

Website: www.marshallcnc.com

CIN: L29299PB1994PLC014605

STATEMENT OF UN-AUDITED FINANCIAL RESULTS FOR THE PERIOD ENDED 30.06.2023

(₹ In Lakh)

Sr. No.	Particulars	Quarter Ended			Year ended
		30.06.2023 (Un-Audited)	31.03.2023 (Audited)	30.06.2022 (Un-Audited)	31.03.2023 (Audited)
I	Revenue from operations	1,065.98	1,217.73	678.55	3,449.53
II	Other income	1.59	1.29	7.53	250.36
III	Total Revenue (I + II)	1,067.57	1,219.02	686.08	3,699.89
IV	Expenses:				
	Cost of materials consumed	451.28	255.45	643.04	1,767.37
	Purchases of Stock-in-Trade	-	1,258.79	-	1,258.79
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	287.47	(311.16)	(179.92)	(270.40)
	Employee benefits expense	118.61	68.37	223.95	621.35
	Finance costs	125.07	127.05	99.65	441.44
	Depreciation and amortization expense	122.51	141.71	158.03	587.25
	Other expenses	81.67	25.29	80.88	213.46
	Total expenses (IV)	1,186.61	1,565.50	1,025.63	4,619.26
V	Profit before exceptional and extraordinary items and tax (III - IV)	(119.04)	(346.48)	(339.55)	(919.37)
VI	Exceptional items	-	-	-	-
VII	Profit before extraordinary items and tax (V - VI)	(119.04)	(346.48)	(339.55)	(919.37)
VIII	Extraordinary items	-	-	-	-
IX	Profit before tax (VII- VIII)	(119.04)	(346.48)	(339.55)	(919.37)
X	Tax expense:				
	(1) Current tax	-	-	-	-
	(2) Deferred tax	(16.11)	(82.96)	(87.45)	(229.43)
	(3) MAT Credit	-	-	-	-
	Net Tax Expense (X)	(16.11)	(82.96)	(87.45)	(229.43)
XI	Profit (Loss) for the period from continuing operations (IX-X)	(102.93)	(263.52)	(252.10)	(689.94)
XII	Profit/(loss) from discontinuing operations	-	-	-	-
XIII	Tax expense of discontinuing operations	-	-	-	-
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)	-	-	-	-
XV	Profit (Loss) for the period (XI + XIV)	(102.93)	(263.52)	(252.10)	(689.94)
XVI	Other Comprehensive Income				
A.	(i) Items that will not be reclassified to profit or loss	5.23	54.50	2.14	60.91
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(1.36)	(14.17)	(0.56)	(15.84)
B.	(i) Items that will be reclassified to profit or loss	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
	Total (XVI)	3.87	40.33	1.58	45.07
XVII	Total Comprehensive Income for the period (XV+XVI)	(99.06)	(223.19)	(250.52)	(644.87)
XVIII	Paid-up equity share capital (in Lakhs)	1,455.00	1,455.00	1,455.00	1,455.00
XIX	Face Value of Equity Share Capital (in Rs./Share)	10.00	10.00	10.00	10.00
XX	Reserves excluding revaluation reserve as per balance sheet of previous accounting year	2,398.99	2,498.06	2,892.42	2,498.06
XXI	Earnings per equity share (for continuing operation):				
	(1) Basic	(0.71)	(1.81)	(1.73)	(4.74)
	(2) Diluted	(0.71)	(1.81)	(1.73)	(4.74)
XXII	Earnings per equity share (for discontinued operation):				
	(1) Basic	-	-	-	-
	(2) Diluted	-	-	-	-
XXIII	Earnings per equity share (for discontinued & continuing operation):				
	(1) Basic	(0.71)	(1.81)	(1.73)	(4.74)
	(2) Diluted	(0.71)	(1.81)	(1.73)	(4.74)

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors in its meeting held on 12.08.2023
2. Figures are in Lakhs Rupees except Face value of Equity Shares and EPS, which are in Rupees.
3. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.
4. There is only one Segment, namely, "CNC Machines", which is the primary reportable segment
5. Company has been migrated to main board of NSE w.e.f. 22.11.2021 & INDAS is adopted considering the transition date of 01.04.2020

For MARSHALL MACHINES LIMITED

Siddhant Sarup

(Siddhant Sarup)
Wholetime Director
DIN: 07779416

Place: Ludhiana
Date: 12-Aug-2023



Limited Review Report to the Board of Directors of
MARSHALL MACHINES LIMITED

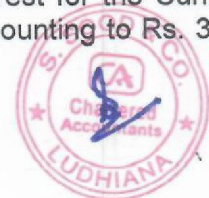
1. We have reviewed the accompanying statement of unaudited financial results of **MARSHALL MACHINES LIMITED** for the **Quarter ended 30.06.2023**. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, **except for the effects/possible effects of our observations stated in para 4 below** nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

4. Emphasis of Matter:

Attention is drawn to the following:

- a. As per the Quarterly Financial Statements ended 30.06.2023, Creditors disclosed under "Current Liabilities" as "Trade Payables" include MSME creditors amounting to Rs. 134.26 Lacs which have been identified by the company as due but not paid within stipulated time period under Micro Small and Medium Enterprises Development Act, 2006 (MSMED).

In our opinion and as per information and records provided to us, the company does not have proper records of MSME creditors so reliable estimates of the amount due but not paid could not be made. Further part provision of Interest for the Current Quarter of the Financial year amounting has been provided amounting to Rs. 3.40



Lacs. No provision of interest from the date of delay till 31st March, 2023 has not been provided in the books. To that extent the losses of the company are understated.

- b. In respect of Inventories during the quarter under audit, the management has neither undertaken any Physical verification of the Inventories nor has segregated inventory of Slow Moving and Dead stocks. For the previous year ended 31.03.2023 the management had expressed its helplessness to provide with Complete Inventory records, however they had engaged an Independent Chartered Accountancy firm for the Physical Verification and Valuation of Inventory as per IND AS 2 and the firm had submitted their Inventory Valuation report dated 04.04.2023 for the previous year.

But during this quarter under review no separate valuations have been done so far. In our opinion, the comparative inventory holding levels, in view of steep decline in the Turnover of the Company as compared to earlier quarters are higher. Hence we are unable to comment on the realizable value of the same. The impact of above remarks, presently are not ascertainable and therefore cannot be commented upon.

- c. There are number of pending cases against the Company in various Courts of law. The Company has mentioned the cases in the respective Note of the Standalone Financial Statements. The amount under dispute has already been booked in the books of accounts of the company however, no interest has been provided in the books of accounts since the decision of the cases are pending and in the opinion of the Directors the cases will be in the favor of the company.
- d. As per the Quarterly Financial Statements ended 30.06.2023, Borrowings include loans and over dues outstanding from the Banks & various Financial Institutions. The Lead Banker of the company HDFC Bank Limited where the company is enjoying Credit Facilities have classified their account as SMA – 2. All other banks and financial Institutions have classified the company's account as Substandard Asset as on date of audit report.
- e. The Company has not been regular in depositing its Statutory Dues. The Statutory dues payable as on 30.06.2023 have not been paid in full, which includes Income Tax Payable on Self-Assessment u/s 140A of Income Tax Act, 1961 amounting to Rs. 96.45 Lacs for A.Y 2020-21, TDS/TCS amounting to Rs. 28.57 Lacs, Provident Fund amounting to Rs. 13.07 Lacs and ESI amounting to Rs. 3.97 Lacs along with Interest thereon which are outstanding for more than six months. The delay in deposit of taxes will result in company having to pay interest and penalty for the same in the future, the amount of which cannot be ascertained as of now.
- f. Company has not realized its Foreign Debtors amounting to Rs. 104.85 Lacs within the time prescribed under the regulations of the FEMA Act. Subject to which penalty under the provisions of FEMA may levy on violation of the provisions of the said act. According to the Directors the delay was due to Covid-19.
- g. Sundry Creditors amounting to Rs. 1,986.91 lacs are due for more than 180 days, which are subject to the provisions of section 16(2) of the CGST Act, 2017, input tax credit of GST which has been taken against such unpaid creditors has to be reversed and further the Interest and penalty may be charged on such amounts.



- h. During the year under audit, the Company has made Sales amounting to Rs.1065.98 Lacs. However the Company has neither filed its GST Returns for the quarter under Audit nor produced any Confirmation from the said Debtors. As such we are unable to verify the authenticity of the Turnover reported by the Company during the period under review. As per the Quarterly Financial Statements, out of Total Trade Receivables of Rs. 3,474.78 Lacs, the trade receivables amounting to Rs. 385 Lacs and 270 Lacs are pending for realization for more than 3 years and between 2-3 years respectively. The Company has not sent any Balance Confirmation letters to its debtors during the year under audit. However, the management of the company confirms that all the trade receivables are good and fully realizable. Balances of Sundry Debtors are subject to confirmation and reconciliations.
- i. The Company has taken the Advances from its Customers amounting to Rs. 813 Lacs. This includes advances of Rs. 547 Lacs which are more than a year old. Balances of Sundry Advances are subject to confirmation and reconciliations.

For S Sood & Co.
Chartered Accountants
FRN: 010801N



(Sanjay Sood)
Partner
M. No. 089457
UDIN: 23089457BGXOAR5947

Date: 12.08.2023
Place: Ludhiana