



Marshall Machines Limited

Regd. Office & Works :

C-86, Phase-V, Focal Point, LUDHIANA-141 010 (India)
Ph.: +91-161-5012406, 5012407, 5019648, 4600237, 4600238
Email: headoffice@marshallcnc.com Web: www.marshallcnc.com

Automated Solutions Division :

D-116A, Phase-V, Focal Point, LUDHIANA-141 010 (India)

MARSHALL IoTQ CENTRE

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MARSHALL AUTOMATION AMERICA, INC.

Suite #23, 2885 North Berkeley Lake Road, NW,
Duluth, GEORGIA-30096 (USA)
Email: sales@marshallautomationamerica.com
Web: www.marshallautomationamerica.com

MARSHALL/2024-25

02-04-2024

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 02-04-2024

Dear Sir,

We wish to inform you that Board of Directors in its meeting held today the 02nd day of April, 2024 the board meeting **commenced at 12:30 P.M. and concluded at 02.30 P.M.**, inter alia, considered and approved the following:

- The Un-Audited Financial Results for the Quarter Ended 31.12.2023.
- The Limited Review Report on Un-Audited Financial Results by issued by M/s S. Sood & Co, Statutory Auditors of the Company.
- The Statement on Deviation or Variation of funds under Regulation 32 of SEBI (LODR) Regulations, 2015.

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 31.12.2023

(₹ In Lakh)

Sr. No.	Particulars	Quarter Ended			9 Months ended		Year ended
		31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	31.03.2023
		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
I	Revenue from operations	999.37	179.34	713.59	2,244.69	2,231.80	3,449.53
II	Other income	-	5.20	128.27	6.79	249.07	250.36
III	Total Revenue (I + II)	999.37	184.54	841.86	2,251.48	2,480.87	3,699.89
IV	Expenses:						
	Cost of materials consumed	361.53	80.90	499.70	893.71	1,511.92	1,767.37
	Purchases of Stock-in-Trade	-	-	-	-	-	1,258.79
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	284.34	41.65	10.42	613.46	40.78	(270.40)
	Employee benefits expense	101.80	114.54	167.15	334.95	552.98	621.35
	Finance costs	90.03	136.49	107.01	351.59	314.39	441.44
	Depreciation and amortization expense	125.13	125.44	143.74	373.08	445.54	587.25
	Other expenses	93.06	36.86	55.85	211.59	188.17	213.46
	Total expenses (IV)	1,055.89	535.88	983.87	2,778.38	3,053.76	4,619.26
V	Profit before exceptional and extraordinary items and tax (III - IV)	(56.52)	(351.34)	(142.01)	(526.90)	(572.89)	(919.37)
VI	Exceptional items	-	-	-	-	-	-
VII	Profit before extraordinary items and tax (V - VI)	(56.52)	(351.34)	(142.01)	(526.90)	(572.89)	(919.37)
VIII	Extraordinary items	-	-	-	-	-	-
IX	Profit before tax (VII- VIII)	(56.52)	(351.34)	(142.01)	(526.90)	(572.89)	(919.37)
X	Tax expense:						
	(1) Current tax	-	-	-	-	-	-
	(2) Deferred tax	(13.14)	(88.46)	(36.23)	(117.71)	(146.47)	(229.43)
	(3) MAT Credit	-	-	-	-	-	-
	Net Tax Expense (X)	(13.14)	(88.46)	(36.23)	(117.71)	(146.47)	(229.43)
XI	Profit (Loss) for the period from continuing operations (IX-X)	(43.38)	(262.88)	(105.78)	(409.19)	(426.42)	(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)	(43.38)	(262.88)	(105.78)	(409.19)	(426.42)	(689.94)
XVI	Other Comprehensive Income						
	A. (i) Items that will not be reclassified to profit or loss	5.23	5.22	2.14	15.68	6.41	60.91
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(1.36)	(1.36)	(0.56)	(4.08)	(1.67)	(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	3.86	1.58	11.60	4.74	45.07
XVII	Total Comprehensive Income for the period (XV+XVI)	(39.51)	(259.02)	(104.20)	(397.59)	(421.68)	(644.87)
XVIII	Paid-up equity share capital (in Lakhs)	2,390.12	1,455.00	1,455.00	2,390.12	1,455.00	1,455.00
XIX	Face Value of Equity Share Capital (in Rs./Share)	10.00	10.00	10.00	10.00	10.00	10.00
XX	Reserves excluding revaluation reserve as per balance sheet of previous accounting year	5,354.69	2,139.99	2,721.25	5,354.69	2,721.25	2,498.06
XXI	Earnings per equity share (for continuing operation):						
	(1) Basic	(0.18)	(1.81)	(0.73)	(1.71)	(2.93)	(4.74)
	(2) Diluted	(0.18)	(1.81)	(0.73)	(1.71)	(2.93)	(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	(0.18)	(1.81)	(0.73)	(1.71)	(2.93)	(4.74)
	(2) Diluted	(0.18)	(1.81)	(0.73)	(1.71)	(2.93)	(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 02.04.2024
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
6. During the quarter, Company has issued 93,51,217 no. of shares on Right issue basis @ 44.80 per share.

For MARSHALL MACHINES LIMITED

Siddhant Sarup

(Siddhant Sarup)
Wholetime Director
DIN: 07779416

Place: Ludhiana
Date: 02-Apr-2024

7. Statement of Impact:

- a) **Debtor Realization:** We have already received balance confirmations of more than 50% of the debtors by value during the quarter under review. The communications have been sent out to all existing debtors. Since this is a quarterly review most of the companies prefer to share the balance confirmations on an annual basis as on 31st March 2024.
- b) **Right Issue Utilisation:**
- i. The company has paid advance to various suppliers as per the agreed payment terms with each supplier. Since all the work involved is highly technical in nature so the work completion, progress and speed is mutually agreed upon and understood in a win- win manner considering various factors affecting the timeline and quality of work expected from
 - ii. The Company decided to use their Kotak account due to ease of business and transactions. HDFC outstanding mentioned in the certificate has been cleared as on 30th March 2024.
 - iii. The details of the payments made using other than Marshall bank accounts includes Taxes, Employee dues and EMI repayments. These were essential expenses which were required to be done as per the stipulated schedule of the payments. In the absence of online banking and bulk payments facility in the bank account, the Company used these accounts to make all the mentioned payments in a time bound manner to avoid non-compliance and defaults.
- c) **Cash-in-Hand:** The company has various representatives across India who require cash for their day-to-day expenses, the company also allows the purchase of certain spares on cash locally in case a customer wants fast delivery of the material in case of machine breakdowns. The cash was circulated among the company branch offices and branch employees.

For MARSHALL MACHINES LIMITED

Siddhant Sarup

(Siddhant Sarup)
Wholetime Director
DIN: 07779416

Place: Ludhiana
Date: 02-Apr-2024



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 and Nine month ended 31.12.2023**. ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement which is the responsibility of the Company's Management and approved by its Board of Directors has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. 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.
4. **Basis of Qualified Conclusion:**
 - a. As per the Statement, out of Total Trade Receivables of Rs. 3,605.60 Lacs, the Trade Receivables amounting to Rs. 614.85 Lacs are pending for realization for more than 3 years and Rs. 118.29 Lacs are pending for realization for more than 2 years but less than 3 years. During the quarter under review, Company has sent communication to its Debtors to confirm the Balances. Out of the Total 198 Debtors count amounting to Rs. 3,605.60 Lacs as on 31.12.2023 only 6 Debtors with an outstanding amounting to Rs. 1,684.70 Lacs have confirmed the Balances. However, the Management of the Company is of the view that the unconfirmed Trade Receivables are good and fully realizable. Balances of Sundry Debtors which have not been confirmed are subject to confirmation and reconciliations.
 - b. During the quarter under review, the Company has arranged funds through Right Issue of its shares. Initial offer of the Right Issue was for an amount of Rs. 4,562.88 Lacs but it was under subscribed and the Company received an amount of Rs. 4,189.05 Lacs from the proceeds of the Right Issue.



Details provided by the Management are as follows:

(Amount in Lacs Rs.)

Particulars of Object Clause of Offer Letter	Object clause of Right Issues (As per Offer Letter to SEBI)	Subscribed Amount of Right Issue	Amount Utilized as per the Management
Working Capital requirements	1,515.17	1,285.75	1,105.21
Repayment of Loans	629.16	580.58	577.21
Technology Fee (Capital Expenditure)	1,935.00	1,898.00	1,458.11
Expenditure for General Corporate Purposes	428.55	395.46	393.70
Right Share Issue Expenses	55.00	29.26	29.26
Total	4562.88	4,189.05	3,563.49

- i. Out of the above Utilized Amount, the Company has made Advance Payments amounting to Rs. 1,138.61 Lacs before the actual completion of work by the Suppliers. The Expected date of completion as explained by the Management is as below:

Particulars of Object Clause of Offer Letter	Amount In Lacs Rs.	Expected date of work completion as per Management
Working Capital requirements	339.00	30.06.2024
Technology Fee (Capital Expenditure)	799.61	30.04.2024
Total	1,138.61	

- ii. The Company has transferred the Right Issue Proceeds from Kotak Mahindra Bank Escrow Account to Kotak Mahindra Bank Current Account instead of HDFC Bank Limited where the Company is availing various Cash Credit facilities. No Balance Confirmation Certificate of HDFC Bank Limited as on 31st December, 2023 is available with the Company. However the Balances of HDFC Bank Limited in the books of accounts are duly reconciled with the Bank Statement produced and verified as on 31st December, 2023. Subsequently a Certificate from HDFC Bank Limited dated 18th March 2024 has been obtained by the Company wherein it has been Certified by the Bank that the Account of the Company is not NPA, however there is an Overdue in the account amounting to Rs. 21.86 Lacs and as per the Certificate, the Bank has asked the company to pay Rs. 31.22 Lacs in order to avoid account becoming NPA.
- iii. The Company has transferred Funds out of its Right Issue Proceeds to its Director and Other Parties Bank account to make payments as follows.

(Amount in Lacs Rs.)

Name of Party	Amount
Director	
Amount Paid by the Company	366.29
Less: Amount spent on behalf of Company:	
Repayment of Loans (HDFC Cash Credit Account)	317.00
Repayment of Loans (HDFC Term Loan Account)	40.60
Repayment of Loans (SIDBI Term Loan)	8.69
Balance Unused	NIL
Other parties	
Amount Paid by the Company	200.33
Less: Amount spent on behalf of Company:	
Statutory Dues (TDS, ESIC, PSDT)	65.11



Employee Dues	34.17
Repayment of Loans (HDFC Cash Credit Account)	63.44
Repayment of Term Loans	1.91
Other Expenses	1.57
Balance Unused	34.13
(As per the Management the Unused balance of Rs. 34.13 Lacs has been recovered by the company before 31.03.24)	

- c. Management was unable to Physically Show the Cash-in-Hand of Rs. 31.82 Lacs as per the Books of Accounts as on 31.12.2023.

Our Conclusion is Qualified in respect of matters stated in para 4 for the quarter ended 31st December, 2023

5. Qualified Conclusion

Based on our review conducted as above, **except for the Effects/Possible Effects of our Observations stated in Preceding para 4(Basis of Qualified Conclusion)**, 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.

6. Emphasis of Matter:

Attention is drawn to the following:

- a. As per the Quarterly Financial Statements ended 31.12.2023, Creditors disclosed under "Current Liabilities" as "Trade Payables" include MSME creditors amounting to Rs. 235.32 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).
- b. In respect of Inventories during the quarter under review, the management has engaged an Independent Chartered Accountancy firm for the Physical Verification and Valuation of Inventory as per IND AS 2 and the firm has submitted their Inventory Valuation report dated 05.02.2024. However segregation of the inventory of Slow Moving and Dead stocks have not been mentioned in the report.

In our opinion, the comparative inventory holding levels, in view of steep decline in the Turnover of the Company as compared to earlier years are higher.

- c. There are number of pending cases against the Company in various Courts of law. 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 of the Company the cases will be in the favour of the company.
- d. As per the Quarterly Financial Statements ended 31.12.2023, Borrowings include Loans Outstanding from the Banks & Financial Institutions where the installments of loans have been delayed in many cases during the period till 31.12.2023 except the Loans of Tata Capital Financial Services Limited and Deutsche Bank which



have been classified as Substandard / written off for an amount of Rs. 53.44 Lacs and Rs. 8.93 Lacs respectively. Letter of Credits taken from the bank, in four number of cases have not been paid so far after the due date.

- e. Company has not realized its Foreign Debtors amounting to Rs. 106.22 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.
- f. Sundry Creditors amounting to Rs. 2,389.58 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.
- g. Company has taken the Advances from its Customers amounting to Rs. 774.37 Lacs. This includes advances of Rs. 556.10 Lacs which are more than a-year old. Balances of Sundry Advances are subject to confirmation and reconciliations.
- h. Company has not deposited the Tax Deducted at Source amounting to Rs. 42.85 Lacs deducted during the quarter under review.

Our conclusion is not modified in respect of the matters stated in the preceding **para 6**.

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



(Sanjay Sood)
Partner
M. No. 089457
UDIN: 24089457BKALFO3929

Dated: 02.04.2024
Place: Ludhiana



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FIE
FIE FOUNDATION
AWARD



Marshall Machines Limited

Regd. Office & Works :

C-86, Phase-V, Focal Point, LUDHIANA-141 010 (India)

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Automated Solutions Division :

D-116A, Phase-V, Focal Point, LUDHIANA-141 010 (India)

GST No.: 03AADCM1377N1ZC

UDYAM REGISTRATION No. UDYAM-PB-12-0008883

Date: April 2, 2024

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

Sub.: Statement on Deviation or Variation of funds under Regulation 32 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations)

Ref.: Script Code – MARSHALL

Pursuant to Regulation 32 of the SEBI Listing Regulations and SEBI Circular No. CIR/CFD/CMD1/162/2019 dated December 24, 2019, please note that there are no deviation(s) or variation(s) in respect of the utilization of the proceeds of the Initial Public Offer ("IPO") of the Company during the third quarter and nine months ended December 31, 2023, as mentioned in the object clause of the Prospectus dated September 22, 2023. Please find enclosed herewith a statement in this regard.

The aforesaid statement has been reviewed by the Audit Committee and taken on record by the Board at their respective meetings held on April 2, 2024.

This is for your information and records please.

Thanking You,

Yours faithfully,
For and on behalf of
Marshall Machine Limited

(Siddhant Sarup)
Director
DIN:- 07779416
Enc. a/a

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Marshall Machines Limited

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Automated Solutions Division :

D-116A, Phase-V, Focal Point, LUDHIANA-141 010 (India)

GST No.: 03AADCM1377N1ZC

UDYAM REGISTRATION No. UDYAM-PB-12-0008883

STATEMENT OF DEVIATION OR VARIATION IN UTILIZATION OF FUNDS RAISED

Name of entity	Marshall Machines Limited
Mode of Fund Raising	Right Issue
Date of Raising Fund	(October, 31, 2023) (Date of Allotment)
Amount Raised	Right Issue of ₹41.89 Crore
Report filed for Quarter ended	December 31, 2023
Monitoring Agency	Not Applicable
Monitoring Agency Name, if applicable	Not Applicable
Is there a Deviation / Variation in use of funds raised	No
If yes, whether the same is pursuant to change in terms of a contract or objects, which was approved by the Unitholders	Not Applicable
If Yes, Date of Unitholders Approval	Not Applicable
Explanation for the Deviation / Variation	Not Applicable
Comments of the Audit Committee after review	The Company has used the proceeds in a bonafide manner which was as per the best interest of the company and all of its Stakeholders.
Comments of the auditors, if any	<ul style="list-style-type: none"> The company has paid advance upto Rs. 1,138.61 Lakh to various suppliers where the work against this advance is yet to be completed. The company has used their secondary Kotak Mahindra account instead of their Primary HDFC bank account for making Transactions post the Rights issue. The company has used non company bank account including employees and Promoter accounts to make some critical payment of Taxes, Loans and Employee dues.

Set forth below are objects for which funds have been raised in the Right Issue and details of deviation, if any, in the following table:

Original Object	Modified Object, if any	Original Allocation (₹ in Lakh)	#Modified Allocation, if any (Note1)	Funds Utilised (₹ in Lakh)	Amount of Deviation/ Variation for Quarter according to applicable object	Remarks, if any
To meet Working Capital Requirements	-	1,515.17	1,285.75	1,105.21	-	
Repayment of Loans	-	629.16	580.58	577.21	-	
Technology Fee	-	1,935.00	1,898.00	1,458.11	-	
Funding Expenditure for General Corporate Purposes	-	428.55	395.46	393.70	-	
Share Issue Expenses	-	*55.00	29.26	29.26	-	
Total	-	4,562.88	4,189.05	*3,563.49	-	Note 2

Note 1: # Modified Allocation with respect to under subscription of Right Issue.

Note 2: * ₹ 625.56 lakh of Right Issue proceeds which remain un-utilised as at December 31, 2023.

Thanking You,

Yours faithfully,

For and on behalf of Marshall Machine Limited

Siddhant Sarup

(Siddhant Sarup)

Director DIN:- 07779416

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Industry 4.0..Reimagined!

• SUPER OPTIMIZED CNC TURNING CENTRES • SMART AUTOMATED CNC MACHINES WITH ROBOTS • DOUBLE SPINDLE CNC TURNING CENTRES

• SINGLE SPINDLE CNC CHUCKERS • TWINTURN CNC MACHINES • SMARTCORRECT GAUGING STATIONS