



**MIVEN MACHINE TOOLS LIMITED**

Regd.Off. : Sirur's Compound, Karwar Road, Hubli-580024,  
Karnataka, India  
Email : mmtsecretarial@gmail.com  
Website : www.mivenmachinetools.in  
CIN : L29220KA1985PLC007036

To  
The General  
Manager- Listing  
BSE Limited  
24<sup>th</sup> Floor, P J Towers, Dalal Street, Fort  
**Mumbai-400001**

August 06, 2022

Dear Sir,

**Sub: Outcome of Board Meeting held on August 06, 2022 pursuant to the provisions of Regulation 33 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding approval of Unaudited Financial Results for the First Quarter ended June 30, 2022 along with the Limited Review Report of the statutory auditors thereon**

**Ref: Scrip Code 522036**

This is to inform you, pursuant to the provisions of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), that the Board of Directors of the Company at its meeting held today:

1. Considered and approved the Unaudited Financial Results for the First Quarter ended June 30, 2022 along with the Limited Review Report ("LRR") of the statutory auditors thereon. A copy of the aforesaid financial results along with the Limited Review Report are attached.
2. The Company has filed writ appeal before High Court of Karnataka, Dharwad Bench and received interim stay order on the ruling of Single Judge under the High Court of Karnataka in respect of cases filed against the company by the erstwhile employees of Gidding & Lewis, the erstwhile owners of our Company. In view of the stay order, the company has not made any provision for the liability that may arise in future in this regard. In any case, the Company is not in a position to estimate the amount of monetary liability of the claims as the company is not aware of the details of last drawn salary of those erstwhile employees of Gidding & Lewis.

We request you to take on record  
of the same. Thanking you,

Yours faithfully  
For Miven Machine Tools Limited

ARPITA Digitally signed  
by ARPITA  
RAHUL RAHUL  
DHAKAN DHAKANE  
E Date: 2022.08.06  
16:20:40 +05'30'



.....  
..... **Arpita**  
**Dhakane**  
**Company Secretary**



**Independent Auditors' Report**

**To the Members of Miven Machine Tools Limited**

**Report on the Audit of Standalone Ind AS Financial Statements**

**OPINION**

We have audited the accompanying Standalone Ind AS Financial Statements of Miven Machine Tools Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India and as prescribed in Sec 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 of the state of affairs of the company as at 31<sup>st</sup> March 2022, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Material Uncertainty related to Going Concern**

We draw attention to Note 26A in the Standalone Ind AS Financial Statements which indicates that the Company's liabilities exceed its total assets by INR 1,203.47 Lakhs as at 31<sup>st</sup> March 2022 and the company has taken unsecured loan from the director. As stated therein





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these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Emphasis of Matter

We draw attention to Note 26F to the accompanying standalone financial statements, which describes management's assessment of uncertainty relating to the effects of the COVID-19 pandemic on the Company's operations. Our opinion is not modified in respect of this matter.

We draw attention to Note 17 to the accompanying standalone financial statements about customer advances outstanding for more than one year as at the balance sheet date. Our opinion is not modified in respect of this matter for the reasons indicated therein.

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Related to Going Concern section*, we have determined the matters described below to be the key audit matters to be communicated in our report.

The Key Audit Matter	How the matter was addressed in our audit
(a) <u>Ind AS 115 – Revenue from Contract with Customers</u>  Revenue is one of the key determinants of operating results and is therefore susceptible to misstatement. Transfer of Control is a key assertion in the process of Revenue Recognition since an absence of transfer of control, it can result in material misstatement.	Our audit procedures with regard to revenue recognition included testing controls involving dispatches/deliveries, reconciliation of inventory completion of customer order formalities and substantive testing for cut-offs and analytical review procedures
(b) <u>Valuation of Inventories</u>  Inventory constitutes a significant portion 46% of total assets of the company. Any misstatement will	Our audit procedures in connection with valuation of inventories involved review of systems and procedures in connection





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certainly distort the results of the company.

with periodical physical verification and reconciliation with book records, analytical procedures adopted to ensure correct valuation in accordance with Accounting Standards

### **INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITORS REPORT THEREON**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE 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 standalone IND AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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. 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





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ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the IND AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **AUDITORS RESPONSIBILITIES FOR THE AUDIT OF STANDALONE FINANCIAL STATEMENTS**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.





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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.





**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2.
  - (A) As required by Section 143(3) of the Act, based on our audit, we report that:
    - 1) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
    - 2) 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;
    - 3) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
    - 4) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued thereunder.
    - 5) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act;
    - 6) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - (B) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:





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- a) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements. Refer Note 26(G)(iii)(b) to the standalone Ind AS financial statements.
- b) The company did not enter into any long-term contracts wherein material losses as required under the applicable law or accounting standards that needs to be recognised in the Standalone Ind AS Financial Statements. Further, the company has not entered in any derivative contracts as referred in Note 26(G)(viii)(c) of the Standalone Ind AS Financial Statements.
- c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d)
- (i) The management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (ii) The management has represented, that, to the best of it's knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (iii) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- e) The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013





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(C) In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limits laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.

For RAO ASSOCIATES  
CHARTERED ACCOUNTANTS  
(FIRM NO: 003080S)

(SANDEEP S SHEKAR)

PARTNER

M.NO. 232631

BANGALORE

DATED: 30-05-2022

UDIN: 22232631ALJFBP9349





**RAO ASSOCIATES  
CHARTERED ACCOUNTANTS**

**ANNEXURE A REFERRED TO IN PARAGRAPH 1 UNDER HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT TO THE MEMBERS OF MIVEN MACHINE TOOLS LIMITED, HUBLI:**

(i) In respect of its fixed assets:

a. (A) The company has maintained proper records to show full particulars including quantitative details and situation of property, plant and equipment.

(B) The company is not having any intangible asset. Therefore, the provisions of Clause (i)(a)(B) of paragraph 3 of the order are not applicable to the company.

b. According to the information and explanation given to us by the management, **the property, plant and equipment has not been physically verified during the year by the management.**

c. The company does not own any immovable property.

d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year.

e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) In respect of its inventories:

a. The Company has conducted physical verification of inventories at sporadic intervals during the period, **but the inventories have not been verified at the end of the year.** No material discrepancies were noticed on such verification. In our opinion the frequency to be increased to perpetual basis having regard to the size of the company and the nature of its business.

The procedures for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not been sanctioned any working capital limits, from banks or financial institutions on the basis of security of current assets. Accordingly, the provisions of Clause (ii)(b) of paragraph 3 of the order are not applicable to the company.





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- (iii) The company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in register maintained under section 189 of the Companies Act, 2013. Hence clause 3(iii)(a) to (f) of the order is not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, the company has not advanced any loan or made any investments or given any guarantee and security as applicable vide provisions of Section 185 and 186 of the Companies Act, 2013 and hence clause 3(iv) of the Order is not applicable.
- (v) During the year, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) According to the information and explanations given to us, the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacturing activities, are not applicable to the company.
- (vii) With respect to statutory dues:
- (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into Goods and Services Tax ("GST").
- According to the information and explanations provided to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Service Tax, Sales-Tax, Goods and Services Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, there are no dues of Income-Tax, Sales-Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax and Cess which have not been deposited on March 31, 2022 on account of any dispute. Accordingly, the provisions of Clause (vii)(b) of paragraph 3 of the order are not applicable to the Company.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.





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(ix)

- (a) In our opinion and according to the information and explanations provided by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) No term loans were borrowed by the company during the year.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, as defined in the Act. The Company does not hold any investment in any associate or joint venture (as defined in the Act) during the year ended 31 March 2022.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act) as the Company does not have any subsidiary.

(x) (a) The company has not raised monies by way of initial public offer or further public offer (including debit instruments) and term loans. Accordingly, the provisions of clause 3(ix)(a) of the Order is not applicable to the company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4





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as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) No whistle blower complaints have been received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clauses 3(xvi)(a) and 3(xvi)(b) of the Order are not applicable.

(b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(c) According to the information and explanations provided to us during the course of audit, the Group does not have any CICs.





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- (xvii) The Company has incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that **material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.**
- (xx) There is no liability of the company under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) of paragraph 3 of the order are not applicable to the Company.
- (xxi) The company has not made investments in subsidiary company. Therefore, the company does not require to prepare consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

For RAO ASSOCIATES  
CHARTERED ACCOUNTANTS  
(FIRM NO. 003080S)

(SANDEEP S SHEKAR)

PARTNER

M.NO. 232631

BANGALORE

DATED: 30-05-2022

UDIN: 22232631ALJFBP9349





**ANNEXURE "B" REFERRED TO IN PARAGRAPH 2 UNDER HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF AUDITORS REPORT ON THE ACCOUNTS OF MIVEN MACHINE TOOLS LIMITED FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.**

**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 M/s. MIVEN MACHINE TOOLS LIMITED, as of March 31, 2021 in conjunction with our audit of the Standalone Ind AS 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,





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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.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.





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**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 March 31st, 2021, 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 RAO ASSOCIATES  
CHARTERED ACCOUNTANTS  
(FIRM NO: 003080S)

(SANDEEP S SHEKAR)

PARTNER

M.NO. 232631

BANGALORE

DATED: 30-05-2022

UDIN:22232631ALJFBP9349



**MIVEN MACHINE TOOLS LIMITED.,**

Regd. Office: Sirur's Compound, Karwar Road, Hubballi-580 024.KARNATAKA

Works : Plot No.2 Sy.No.110, Sattur Industrial Estate, Hubballi-Dharwad Road, Sattur, Dharwad-580 009. KARNATAKA

CIN No.L29220KA1985PLC007036

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**UN-AUDITED FINANCIAL RESULTS FOR THE 1ST. QUARTER ENDED JUNE 30, 2022**



Sl No.	Particulars	(Rs. in lakhs)			
		QUARTER ENDED			YEAR ENDED
		30.06.2022	31.03.2022	30.06.2021	31.03.2022
		(Un-Audited)	(Audited)	(Un-Audited)	(Audited)
	<b>Income from operations</b>				
I	Revenue from Operations	9.67	111.76	75.96	248.66
II	Other Income	2.09	1.65	0.30	3.41
III	<b>Total Income (I + II)</b>	<b>11.76</b>	<b>113.41</b>	<b>76.26</b>	<b>252.07</b>
IV	<b>Expenses</b>				
	a) Cost of materials consumed	7.95	15.80	4.72	80.53
	b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(4.35)	65.04	56.37	93.36
	c) Employees benefits expense	4.29	10.06	14.14	58.68
	d) Finance costs	13.25	15.76	14.73	54.58
	f) Depreciation and amortization expense	1.99	2.02	2.06	8.23
	f) Operating Expense	23.53	11.80	9.30	40.51
	<b>Total expenses (a to g)</b>	<b>46.66</b>	<b>120.48</b>	<b>101.32</b>	<b>335.89</b>
V	Profit / (loss) before exceptional items and tax (III-IV)	(34.90)	(7.07)	(25.06)	(83.82)
VI	Exceptional Items (net of tax expense)	-	64.97	-	64.97
VII	<b>Profit / (loss) before tax (VII+VIII)</b>	<b>(34.90)</b>	<b>(72.04)</b>	<b>(25.06)</b>	<b>(148.79)</b>
VIII	<b>Tax Expense</b>				
	a. Current Tax	-	-	-	-
	b. Deferred tax	-	-	-	-
IX	<b>Profit / (loss) after tax from continuing operations</b>	<b>(34.90)</b>	<b>(72.04)</b>	<b>(25.06)</b>	<b>(148.79)</b>
	<b>Other comprehensive Income:</b>				
	I) Items that will not be reclassified to profit or loss	-	-	-	-
	a) Remeasurements of the defined benefit plans	-	-	0.93	-
	b) Taxes on above	-	-	-	-
	II) Items that may be reclassified to profit or loss	-	-	-	-
	<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>0.93</b>	<b>-</b>
	<b>Total Comprehensive Income for the period</b>	<b>(34.90)</b>	<b>(72.04)</b>	<b>(24.13)</b>	<b>(148.79)</b>
X	Paid-up Equity Share Capital (face value of Rs. 10 each)	300.35	300.35	300.35	300.35
XI	Other Equity (excluding revaluation reserve Rs. Nil) as at Balance Sheet Date				(1,503.82)
XII	<b>Earnings per equity Share: Basis and Diluted EPS (Rs) before and after exceptional items (not annualized)</b>	<b>(1.16)</b>	<b>(2.40)</b>	<b>(0.80)</b>	<b>(4.95)</b>

Notes:

1 The above results have been prepared in accordance with Indian Accounting Standards ("Ind As") notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other recognised accounting practices and policies, as applicable.

2 Figures of the previous periods are re-classified/rearranged / re-grouped, wherever necessary, to correspond with the current period's classification / disclosure.

3 The figures for quarter ended March 31, 2022 are the balancing figures between Audited figures in respect of the full financial year and published year to date figures upto the third quarter of the year ended 31 March 2022.

**4 Regarding Auditor's observation:**

The Company incurred a net loss of INR 34.90 Lakhs during the quarter. The Net Liabilities of the Company exceed its assets by INR. 1238.37 Lakhs. Considering the business plans made by the Company, orders on hand, reorganization of product mix and with continued support from the bankers and the Holding Company, the Company expects to recover from the losses. According to the Company, considering all the facts, including sale/disposal of the inventories on hand, the shifting of manufacturing facility to different location at optimum operating costs for continuing business activities and company's decision to recruit workmen on contractual basis, the assumption of Going concern is not vitated even though the net worth is eroded.

5 The company is into manufacturing of CNC Turning Machines which are capital goods for heavy industries. The usual lead time between the date of order and delivery is between 9 to 18 months depending upon the nature of machinery and technical complexities involved. As projects are long term in nature and the machineries manufactured are of high value, the company receives advance from customers against the confirmed orders. Due to lockdown implemented on account of COVID-19 pandemic, customers could not inspect the machineries and take the delivery. Further, due to current slowdown in industrial production, the customers are delaying to pick up their ordered machinery and make full payment against the order. Under the said circumstances, advance from customer is carried in the Balance Sheet. In the opinion of the company, such customer advances are in compliance with Section 73 of Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014.

6 The Company has got net deferred tax assets in the form of unabsorbed losses and depreciation, However, the same is not recognized in the absence of reasonable certainty in future profits to set off the said losses within the time limit provided under the Income Tax Act, 1961

7 The company has filed writ appeal before the High Court of Karnataka, Dharwad Bench and received interim stay order on the ruling of Single Judge under the High Court of Karnataka in respect of cases filed against the company by the employees of erstwhile owners of the company. In view of the stay order, the company has not made any provision for any related expenditure in this regard.

**Regarding Applicability of Ind AS-116 Leases**

8 Ind AS-116 - Leases is effective from 1st April 2019 onwards. The company's existing lease arrangements are for less than 12 months, which is exempt under the Standard and hence the revised standard has no impact on the results of the company.

9 The company has elected to exercise the option permitted under Sec. 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019. Therefore liability to Minimum Alternate Tax U/s 115JB does not arise. Further, in view of the brought forward losses available for set off against current year income, the company does not anticipate any tax liability on its income for the year.


10 The Company is engaged in the business of Metal Cutting, Grinding and Ancillary machines which is single reportable segment in accordance with Ind AS 108 "Operating Segments." All sales and assets are in India. The Company has no single measure customers during the reporting periods.

11 The above results were reviewed and recommended by the Audit Committee on 6th August, 2022 and subsequently approved by the Board of Directors at their meeting held on the same date.

**For and on behalf of the Board**

Place : Hubli.

Date : 6th August, 2022

  
**Vikram R Sirur**  
Managing Director

**MIVEN MACHINE TOOLS LIMITED**  
CIN-L29220KA1985PLC007036

Regd. Office: Sirur's Compound, Karwar Road, Hubballi-580 024.KARNATAKA

Works : Plot No.2 Sy.No.110, Sattur Industrial Estate, Hubballi-Dharwad Road, Sattur, Dharwad-580 009. KARNATAKA

**STATEMENT OF CASH FLOW FOR THE QUARTER ENDED 30TH JUNE, 2022**

(INR in Lakhs)

Particulars	As at 30 June 2022	As at 31 March 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit (Loss) before tax as per Profit and Loss Account	(34.90)	(148.79)
<u>Adjustments for:</u>		
Depreciation and Amortisation Expenses	1.99	8.23
Finance Costs	13.24	54.58
Interest received	(0.39)	(2.67)
Dividend Received	-	(0.06)
Provisions	(22.98)	(5.72)
Profit on Sale of Land/Assets	(1.69)	(0.29)
<b>CASH FLOW BEFORE WORKING CAPITAL CHANGES</b>	<b>(44.74)</b>	<b>(94.73)</b>
<u>Adjustments for Working Capital Changes</u>		
Change in Inventories	(0.50)	90.27
Change in Trade Receivables	20.02	(21.48)
Change in Other Financial Assets - Non Current Assets	(0.03)	2.06
Change in Other Financial Assets - Short Term	(0.20)	(0.53)
Change in Other Current Assets	(4.28)	3.24
Change in Trade Payables	3.78	(20.74)
Change in Other current Liabilities	4.60	9.94
Change in Other Financial Liabilities	4.69	26.31
<b>Cash Flow (Used) in Operating Activities</b>	<b>(16.67)</b>	<b>(5.66)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale Proceeds of Assets	-	0.29
Interest received	0.39	2.67
Dividend Received	-	0.06
Proceed from Maturity of Deposit with Banks held as Margin Money with maturity of more than 90 days	(5.64)	18.35
<b>Cash Flow from Investing Activities</b>	<b>(5.25)</b>	<b>21.37</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase / (Decrease) in Short term borrowings	-	-
Proceeds/ (Payment) from/to Long Term Borrowings	6.18	46.57
Interest Paid	(13.24)	(54.58)
Changes in Fair Values of Long Term Borrowings	-	-
<b>Cash Flow (Used) in Financing Activities</b>	<b>(7.06)</b>	<b>(8.01)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>(28.98)</b>	<b>7.71</b>
Cash and Cash Equivalents at the beginning of the year	46.38	38.68
<b>Cash and Cash Equivalents at the end of the Year</b>	<b>17.40</b>	<b>46.38</b>
Add:		
Fixed deposits with original maturity of more than 90 days	23.00	17.36
<b>Cash and cash equivalents at end of period as per Financial Statements</b>	<b>40.40</b>	<b>63.74</b>
<b>Cash and Cash Equivalents Comprise :</b>		
Cash on Hand	0.10	0.03
Balance with Banks		
On Current Accounts	17.30	46.36
On Fixed Deposits	23.00	17.36
<b>Cash and Cash Equivalents as per Financial Statements</b>	<b>40.40</b>	<b>63.74</b>
Significant Accounting Policies and key Accounting Estimates	1	
See accompanying notes forming part of the financial statements.	26	

The Cash Flow Statement has been prepared on Indirect Method as provided in Ind AS 7

**For Miven Machine Tools Ltd.**

  
**VIKRAM. R. SIRUR.**  
Managing Director