



**MIVEN MACHINE TOOLS LIMITED**

**Regd. Off. & Works :** Tarihal Industrial Area, Tarihal, Hubli-580 026. Karnataka, India.  
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**Website :** [www.mivenmachinetools.in](http://www.mivenmachinetools.in)  
**CIN : L29220KA1985PLC007036**

Email: [mmtsecretarial@gmail.com](mailto:mmtsecretarial@gmail.com)

January 31, 2018

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

Submitted electronically through the BSE listing centre portal

Dear Sir,

**Sub:** Outcome of Board Meeting held on January 31, 2018 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 Third Quarter ended December 31, 2017 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, that the Board of Directors of the Company at its meeting held today considered and approved the Unaudited Financial Results for the Third Quarter ended December 31, 2017 alongwith 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.

We request you to take on record of the same.

Thanking you,

Yours faithfully  
for Miven Machine Tools Limited

.....  
**S G Gadagkar**  
Chief Financial Officer

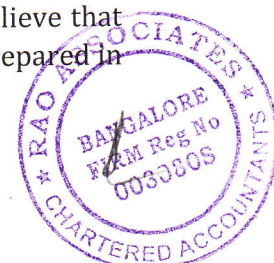


**RAO ASSOCIATES  
CHARTERED ACCOUNTANTS**

**Auditor's Report on Quarterly Financial Results and Year to Date Results of Miven Machine Tools Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,  
The Board of Directors  
Miven Machine Tools Limited  
Hubli.

1. We have reviewed the accompanied statement of unaudited quarterly financial results of Miven Machine Tools Limited ("the Company") for the quarter ended Dec 31, 2017, being submitted by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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 the unaudited quarterly financial results based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (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 provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. **Basis of Qualified opinion:**  
**Attention of the members are invited to foot note no 8 to the unaudited financial results wherein we have relied on the representation of the management that the amount due from a customer of Rs.14.58 lakhs is good of recovery. Pending completion of legal proceedings and in view of uncertainties involved we are unable to form any opinion on the matter and consequential effects on the financial results are not ascertainable.**
4. Based on our review conducted as above except in respect of matters stated in the paragraph on "Basis of Qualified Opinion" and read with note 5 to the unaudited financial results, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in





**RAO ASSOCIATES  
CHARTERED ACCOUNTANTS**

accordance with applicable accounting standards i.e. Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act, read with relevant rules issued there under 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 and SEBI Circular dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. Emphasis of matter:

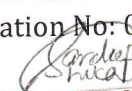
Without qualifying our opinion we invite the attention of the members to note 11 of the unaudited financial results, regarding reasons for preparing financial statements of the Company on going concern basis, even though its net worth has been completely eroded. The appropriateness of the said basis is, with its attendant uncertainties, depends upon the Company's ability to augment its working capital, including execution of sale orders, sale/disposal of the inventories on hand, proposed sale of surplus land, reduction in debt and the support of the Company's bankers and holding company. We have also relied on the representation of the Company in this respect.

6. Other Matters:

Attention is drawn to notes 3 and 4 of the unaudited financial results which state that the Company has adopted Ind AS for the current period and accordingly, the statements has been prepared by the Company's management in compliance with Ind AS. Further, we have not reviewed the figures reported for the quarter ended December 31, 2016.

A copy of the unaudited quarterly financial results of the Company for the period under review, which formed the basis of our limited review, duly initiated by us for the purpose of identification is enclosed to this report.

For RAO ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Registration No: 003080S

  
(SANDEEP S SHEKAR)

PARTNER

Membership No. 232631

Place: Hubli

Date: January 31, 2018



**MIVEN MACHINE TOOLS LIMITED.,**

REGISTERED OFFICE AND WORKS: TARIHAL INDUSTRIAL AREA

TARIHAL, HUBLI - 580 026 (KARNATAKA)

CIN No.L29220KA1985PLC007036, P.No.+91(836)2212221-4, Fax No.+91(836)2310411.

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**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017**

(Rs. in lakhs)

Sl No.	Particulars	QUARTER ENDED			NINE MONTHS ENDED		YEAR ENDED
		31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	<b>Income form operations</b>						
I	Revenue from Operations	48.40	55.04	24.41	155.22	70.62	314.32
II	Other Income	0.25	0.16	11.74	1.67	28.03	61.06
III	<b>Total Revenue (I + II)</b>	<b>48.65</b>	<b>55.20</b>	<b>36.15</b>	<b>156.89</b>	<b>98.65</b>	<b>375.38</b>
IV	<b>Expenses</b>						
	a) Cost of materials consumed	56.20	2.69	3.22	135.07	121.73	178.67
	b) Excise duty on sale of goods	-	-	2.63	5.69	7.23	34.07
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(18.61)	56.62	11.02	26.94	(89.76)	106.80
	d) Employees benefits expense	18.25	11.48	13.16	47.03	39.34	58.15
	e) Finance costs	41.97	39.23	44.53	125.69	130.93	176.26
	f) Depreciation and amortization expense	3.63	3.72	3.93	11.02	11.97	15.76
	g) Operating Expense	19.10	17.71	12.35	56.87	65.32	83.70
	<b>Total expenses (a to g)</b>	<b>120.54</b>	<b>131.45</b>	<b>90.84</b>	<b>408.31</b>	<b>286.76</b>	<b>653.41</b>
V	Profit / (loss) before exceptional items and tax (III-IV)	(71.89)	(76.25)	(54.69)	(251.42)	(188.11)	(278.03)
VI	Exceptional Items (net of tax expense)	-	-	-	-	-	-
VII	Profit / (loss) before tax (VII+VIII)	(71.89)	(76.25)	(54.69)	(251.42)	(188.11)	(278.03)
VIII	Tax Expense						
	a. Current Tax	-	-	-	-	-	-
	b. Deferred tax	-	-	-	-	-	-
IX	Profit / (loss) after tax from continuing operations	(71.89)	(76.25)	(54.69)	(251.42)	(188.11)	(278.03)
	<b>Other comprehensive Income:</b>						
	I) Items that will not be reclassified to profit or loss	-	-	-	-	-	-
	a) Remeasurements of the defined benefit plans	(0.37)	(0.36)	(0.37)	(1.10)	(1.10)	(1.44)
	b) Taxes on above	-	-	-	-	-	-
	II) Items that may be reclassified to profit or loss	-	-	-	-	-	-
	<b>Total other comprehensive income</b>	<b>(0.37)</b>	<b>(0.36)</b>	<b>(0.37)</b>	<b>(1.10)</b>	<b>(1.10)</b>	<b>(1.44)</b>
	<b>Total Comprehensive Income for the period</b>	<b>(71.52)</b>	<b>(75.89)</b>	<b>(54.32)</b>	<b>(250.32)</b>	<b>(187.01)</b>	<b>(276.59)</b>
X	Earnings per equity Share: Basis and Diluted EPS (Rs) before and after exceptional items (not annualized)	(2.38)	(2.53)	(1.81)	(8.33)	(6.23)	(9.21)



Notes:

- 1 The above results as reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on January 31, 2018.
- 2 The unaudited financial results of the company for the quarter ended December 31, 2017 have been subject to limited review by its Statutory auditors.
- 3 This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable. Beginning April 1, 2017, the Company has for the first time adopted Ind-AS with transition date of April 1, 2016.
- 4 The Ind AS financial results and financial information for the quarter and half year ended September 30, 2016 as also year ended March 31, 2017 have not been subjected to any limited review or audit as per exemption given in SEBI circular no. CIR/CFD/FAC/62/2016 dated 05.07.2016. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of the results in accordance with Ind AS.
- 5 The preparation of these financial results in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of income, expenses and capital employed. The changes required due to application of Ind AS on retained earnings as well as current year/comparatives profits/losses have been provisionally assessed and carried out. Accordingly, judgements, estimates and assumptions made in preparing these financial statements and comparatives may require further adjustments that may be necessary due to fresh evidence/facts and interpretations of MCA/ICAI that may be observed/received at the time of finalization of annual financial statements for the year ending on March 31, 2018.
- 6 The cost of materials consumed reported includes adjustment in respect of estimated net realizable values of inventories amounting to Rs. 14.17 lakhs for the period ended June 30, 2017 (Rs.10.00 lakhs for the period ended June 30, 2016). In the opinion and as assessed by the management no further provisioning is warranted in respect of Inventories for the quarter ended December 31, 2017.
- 7 The adoption of Ind AS has necessitated changes in the accounting, recognition and measurement criteria of various items of income and expenditure. The reconciliation of the financial results as reported under previous GAAP with those restated as per Ind AS for the following reported periods is as under:

Particulars	Rs. In lakhs	
	PROFIT RECONCILIATION	
	QE 31-12-2016	9 Months Ended 31-12-2016
Net loss as per previous GAAP	(50.25)	(175.99)
<b>ADD/(Less)</b>		
Fair valuation of Financial Liabilities (Refer Note A below)	-	-
Fair Value adjustment - Interest expenses on unsecured loans	(4.07)	(11.02)
Actuarial gains/losses reclassified to Other Comprehensive Income	(0.37)	(1.10)
<b>Net loss as per Ind AS</b>	<b>(54.69)</b>	<b>(188.11)</b>
Other Comprehensive Income	0.37	1.10
<b>Total Comprehensive Income</b>	<b>(54.32)</b>	<b>(187.01)</b>

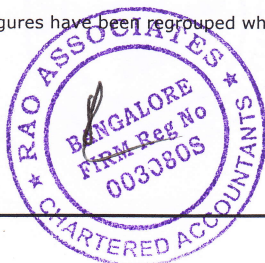
**Note A:**

Represents fair valuation of Interest Free Unsecured Loan from a promoter which has been adjusted to 'Other Equity' in accordance with Ind-AS 109.

**8 Regarding Auditor's observation :**

The Company has considered an amount of Rs.14.58 lakh due from a customer as good of recovery in respect of which the customer had made a counter claim Rs.73.49 lakh which has been dismissed by Additional District Judge, Vijayawada. The Customer has moved to High Court Telangana and Andhra Pradesh. The Company has been advised by its legal counsel and the claim of the party is not sustainable in law. The Company is confident of recovering all the dues and hence is of the opinion that no provision is required.

- 9 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.
- 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 Considering the business plans made by the Company, orders on hand, reorganization of product mix and with continued support from the Bankers, Promoters and the Holding Company, the Company expects to recover from the losses. In the view of Company, considering all the facts, including renewal of bank working capital limits, sale/disposal of the inventories on hand and the company's decision to sell surplus land duly approved by the shareholders to augment the working capital requirements and reduce debt, the assumption of 'Going Concern' is not vitiated even though the net worth is eroded.
- 12 Consequent upon implementation of Goods and Services Tax [GST] Act, 2017 from 1st July 2017, Excise Duty (which was levied on manufacture) has been subsumed with GST which is a destination based tax payable upon completion of Sale. Therefore, GST on sale has not been shown as part of Expenditure. To this extent, the figures for the current QE December 2017 are not comparable with past reported periods.
- 13 Previous period/year figures have been regrouped wherever necessary to confirm with current period presentation.



Place : Hubli  
Date : 31st January, 2018

For and on behalf of the Board

  
Vikram R Sirur  
Managing Director