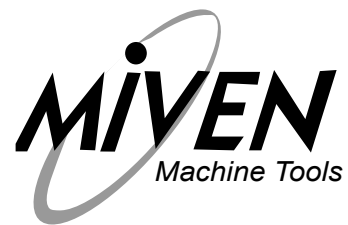


# 32<sup>nd</sup> Annual Report 2016 - 2017



**MIVEN MACHINE TOOLS LIMITED**

# MIVEN MACHINE TOOLS LIMITED

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<b>BOARD OF DIRECTORS</b>	<b>:</b>	<b>Mr. Vikram R Sirur</b> - Managing Director <b>Mr. Shyam M Sirur</b> <b>Mr. Sanjay B Baljekar</b> <b>Mr. Jitendra V Divgi</b> <b>Mrs. Vrinda Mantri</b>
<b>CHIEF FINANCIAL OFFICER</b>	<b>:</b>	<b>Mr. S.G. Gadagkar</b>
<b>COMPANY SECRETARY</b>	<b>:</b>	<b>Mrs. Namrata S. Singh</b>
<b>AUDITORS</b>	<b>:</b>	<b>M/s. B K Ramadhyani &amp; Co., LLP</b> Chartered Accountants, Bangalore
<b>BANKERS</b>	<b>:</b>	<b>SVC Co-Operative Bank Limited,</b> Hubli
<b>Registered Office and Works</b>	<b>:</b>	<b>Tarihal Industrial Area,</b> <b>Tarihal, Hubli-580026</b> <b>Karnataka, India</b>
<b>REGISTRAR &amp; TRANSFER AGENTS</b>	<b>:</b>	<b>M/s. BgSE FINANCIALS LIMITED</b> RTA Division 4th Floor, Stock Exchange Towers No.51, 1st Cross, J C Road, Bangalore - 560027 Phone: 080 4132 9661 / 41405259 Email: avp_rta@bfsl.co.in / cs_rta@bfsl.co.in

# MIVEN MACHINE TOOLS LIMITED

Registered Office: Tarihal Industrial Area, Tarihal, HUBLI - 580 026 (Karnataka)

CIN: L29220KA1985PLC007036

Website: www.mivenmachinetools.in Tel.No.0836-2212221-24 E-mail: mmtsecretarial@gmail.com

## NOTICE OF 32<sup>ND</sup> ANNUAL GENERAL MEETING

NOTICE is hereby given that the Thirty Second Annual General Meeting of the members of Miven Machine Tools Limited, will be held at the Registered Office of the Company at Tarihal Industrial Area, Tarihal, Hubli - 580 026 Karnataka at 11 AM on Friday, the September 29, 2017 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2017 and the reports of the Board of Directors and the Auditors thereon and in this connection, to pass the following resolution as an Ordinary Resolution.

**"RESOLVED THAT** the Audited Balance Sheet as at March 31, 2017, together with the Statement of Profit and Loss for the year ended as on that date and the Reports of the Directors and Auditors thereon be and are hereby adopted".

2. To appoint a Director in place of Mrs. Vrinda Mantri, who retires by rotation and being eligible offers herself for re-appointment and in this connection, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** Mrs. Vrinda Mantri (DIN 00848714), Director, a Director retiring by rotation, be and is hereby re-appointed as a Director of the Company."

3. To appoint auditors and fix their remuneration

To consider and, if thought fit, to pass the following as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s.Rao Associates, Chartered Accountant, (Firm Registration No. 003080S) be and is hereby appointed as the Statutory Auditors of the Company, in place of the retiring auditors M/s B K Ramadhyan & Co., LLP, Chartered Accountants to hold office for a term of five (5) consecutive years, from the conclusion of the 32nd Annual General Meeting till the conclusion of 37th Annual General Meeting of subject to ratification as to the said appointment at each of every Annual General Meeting in each of the subsequent years during the aforesaid term of their appointment, at such remuneration plus applicable taxes and reimbursement of out of pocket expenses incurred by them during the course of audit, as the Board of Directors/Audit Committee may fix in this behalf in consultation with the said auditors."

### SPECIAL BUSINESS:

4. To appoint Mr. Vikram Sirur as the Managing Director of the company.

To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 190, 196, 197, 198, 200 and 203 148 and other applicable provisions, if any, of the Companies Act 2013 ("Act") read with Section II Part II of Schedule V and other applicable provisions, if any, of the Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such consents, permissions, approvals, if any required from any appropriate authority, and pursuant to the recommendation made by the Nomination and Remuneration Committee and subsequently as per the approval granted by the Board of Directors, at their respective meetings held on April 14, 2017 and April 20, 2017, approval of the Members of the Company be and is hereby accorded for appointment of Mr. Vikram Sirur (DIN: 00312980) as a Whole Time Director designated as the Managing Director of the Company for a period of 3 years at a remuneration including perquisites, on the terms and conditions set forth hereunder, with the authority to Board/Nomination and Remuneration Committee to alter/vary the terms and conditions of the said appointment including as to without any further reference to the shareholders of the Company, as may deem fit and fix the quantum, composition and periodicity of the remuneration payable to Mr. Vikram R Sirur, subject however that the remuneration after alteration/variation shall not exceed the limit prescribed under Section 197 read with Schedule V of the Act".

**"RESOLVED FURTHER THAT** approval of the Members of the Company be and is hereby accorded where in the event of no profits or inadequate profits in any financial year during the currency of the tenure of Mr Vikram R Sirur, for payment of the aforesaid remuneration as minimum remuneration subject however that such minimum remuneration shall not exceed the limit prescribed under Section II Part II of Schedule V of the Act".

**1) Salary:**

Rs 1,00,000 per month, inclusive of allowances, if any, payable under the Company's rules with discretion to the Board to fix the annual increment or provide additional allowances based on the performance of the Company in such manner that the total remuneration does not exceed the ceiling limits as applicable and as specified under Section 197 read with Schedule V to Companies Act, 2013.

**2) Allowances and perquisites**

Within the limits stipulated under the Companies Act, 2013 and Schedule V, Mr Vikram R Sirur shall be entitled to the following allowances and perquisites:

- i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund as per Rules of the Company.
- ii) The actual expenditure incurred by the company on premium paid under the Employer and Employee Scheme of LIC of India or any employment benefit scheme/superannuation fund scheme/annuity fund scheme framed by an approved Insurance Company in India.

iii) Gratuity:

One half month's salary for each completed year of service subject to the ceiling as prescribed under the Income Tax Act, 1960.

**3) Minimum Remuneration:**

Notwithstanding anything contained contrary hereinabove, where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company shall pay salary, perquisites and allowances as specified above to the Managing Director as minimum remuneration to him subject to the provisions contained in Section 196, 197, 198, 200 and 203 read with Section II, Part II of Schedule V of the Companies Act, 2013 (including any statutory modifications(s) or re-enactment thereof for the time being force).

**4) Others:**

- a) The Managing Director shall be entrusted with substantial powers of management of the affairs of the Company, in addition to the powers to do administrative acts of a routine nature and to run day to day administration and activities of the Company.
- b) The Managing Director, as long as he functions as such shall not be paid any sitting fees for attending the meetings of the Board of Directors of Committee thereof.
- c) The Managing Director is liable to retire by rotation.
- d) This appointment can be terminated from either side on communication of prior notice of 3 months and in case of any shortage of adequate notice of 3 months, remuneration for the period of shortfall shall be payable
- e) Subject to the provisions of Section 197 of Companies Act, 2013, the Managing Director shall be entitled to compensation for loss of office, if before the expiration of the term of office, the tenure of his office is determined.

Approval of the shareholders is sought at this Annual General Meeting by means of a Special Resolution, pursuant to the provisions of Section 196(3) of Companies Act, 2013.

**5. Re-Appointment of Mr. Sanjay B. Baljekar as the Independent Director of the Company for a period of 5 years.**

To consider and if thought fit, pass with or without modification (s), the following resolution as a Special Resolution:

**"RESOLVED** that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualifications of Directors) Rules, 2014 read with Schedule IV to the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Sanjay B. Baljekar (DIN: 01999874), Independent Director, whose period of office will conclude on the date of 32nd Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for re-appointment for a second term

under the provisions of the Act and the Rules made thereunder, and in respect of whom the Company has received a notice, in writing, from a Member under Section 160 of the Act, proposing his candidature for the office of Director, be and is hereby re-appointed as Independent Director of the Company to hold office for a term of five years from the date of conclusion of the 32nd Annual General Meeting and further that he shall not be liable to rotation."

6. Re-Appointment of Mr. Jitendra B. Divgi as the Independent Director of the Company for a period of 5 years .

To consider and if thought fit, pass with or without modification (s), the following resolution as a Special Resolution

**"RESOLVED** that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualifications of Directors) Rules, 2014 read with Schedule IV to the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Jitendra B Divgi (DIN: 00471531), Independent Director, whose period of office will conclude on the date of 32nd Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for re-appointment for a second term under the provisions of the Act and the Rules made thereunder, and in respect of whom the Company has received a notice, in writing, from a Member under Section 160 of the Act, proposing his candidature for the office of Director, be and is hereby re-appointed as Independent Director of the Company to hold office for a term of five years from the date of conclusion of the 32nd Annual General Meeting and further that he shall not be liable to rotation."

Place : Hubli  
Date : May 29, 2017

By Order of the Board of Directors  
for **MIVEN MACHINE TOOLS LTD**

**Namrata Singh**  
Company Secretary

# MIVEN MACHINE TOOLS LIMITED

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## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND, ON A POLL, TO VOTE ON HIS BEHALF AND THE PROXY NEED NOT BE A MEMBER.
2. A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. The Proxy as per the format included in the Notice should be returned to the Registered Office of the Company not less than FORTY-EIGHT HOURS before the time for holding the Meeting.
3. The Notice is being sent to all the Members, whose names appear in the Register of Members as on May 29, 2017. The Notice of the Meeting is also posted on the website of the Company at [www.mivenmachinetools.in](http://www.mivenmachinetools.in).
4. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.
5. Members seeking information are requested to send their queries at least 7 days before the date of the meeting of the company, so that the desired information may be made available at the meeting.
6. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares. They may contact the Chief Financial Officer and Compliance Officer at the registered office or the Registrar and Share Transfer Agents, i.e, BgSE Financials Ltd. No. 51, Stock Exchange Towers, 1st Cross, J.C. Road, Bangalore 560 027.
7. The Annual Report and Notice for the 32nd AGM along with Attendance Slip and Proxy Form is being sent by electronic mode to all members whose email address are registered with the Company/Depository Participant unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by permitted mode. Members may also note that the aforesaid documents are also available on the Company's website [www.mivenmachinetools.in](http://www.mivenmachinetools.in) for download. Members/proxies are requested to bring their copy of Annual Report together with notice and attendance Slip sent herewith, duly filled in to attend the meeting. Members are requested to advise any change in their address immediately to the Company/Registrar and Transfer Agent, ie, BgSE Financials Ltd, No. 51, Stock Exchange Towers, 1st Cross, J.C. Road, Bangalore 560 027.
8. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company Secretary at the Registered Office or to the Registrar and Share Transfer Agent, namely, BgSE Financials Ltd. at the address given in this notice.
9. The route map of the venue of the AGM (google map) is attached to this notice.
10. Process and manner for Members opting for voting through Electronic means:
  - (i) In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the facility of voting through electronic means, and the business set out in the Notice above may be transacted through such electronic voting. The facility of voting through electronic means is provided through the e-voting platform of Central Depository Services (India) Limited ("remote e-voting")
  - (ii) The Members whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut Off Date of shall be entitled to avail the facility of remote e-voting as well as voting at the AGM. Any recipient of the notice who has no voting rights as on the cut off date shall treat this notice as intimation only.
  - (iii) A person who has acquired the shares and became member of the Company after the despatch of the notice of the annual general meeting and prior to the cut off date i.e. -- September 22, 2017 shall be entitled to exercise his votes either electronically i.e. remote e-voting or through the poll paper at the AGM by following the procedure mentioned in this part.

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- (iv) The remote e-voting will commence on Tuesday, the September 26, 2017 at 10 A.M. and will end at 5 p. m. on Thursday, the September 28, 2017. During this period, the members of the Company holding shares either in physical form or in demat form as on the cut off date i.e. September 22, 2017 may cast their vote electronically. The Members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.
- (v) Once the vote on a resolution is cast by the member, he shall not be allowed to change it subsequently or cast the vote again.
- (vi) The facility for voting through Poll Paper would be made available at the AGM and the Members attending the Meeting who have not already cast their votes by remote evoting shall be able to exercise their right at the Meeting through Poll Paper. The Members who have already cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.
- (vii) The voting rights of the Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut off date of September 22, 2017.
- (viii) The Company has appointed Mr. Umesh Maskeri, Practicing Company Secretary (FCS No 4831 Certificate of Practice No 12704), to act as the Scrutinizer for conducting the remote e-voting process as well as the voting through poll paper at the AGM in a fair and transparent manner.
- (ix) The procedure and instructions for remote e-voting are, as follows:
  - a. Open your web browser during the voting period and log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - b. Now click on "Shareholders" to cast your votes.
  - c. Now, fill up the following details in the appropriate boxes:

User-ID	<ul style="list-style-type: none"> <li>a. For CDSL: 16 digits beneficiary ID</li> <li>b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID</li> <li>c. Members holding shares in physical form should enter the Folio Number registered with the Company</li> </ul>
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d. Next enter the Image Verification as displayed and Click on Login.

e. If you are a first time user follow the steps given below:

For members holding shares in demat form and physical form	
<b>PAN</b>	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department *Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name in CAPITAL followed by the last 8 digits of their demat account number/Folio No., as the case may be, in the PAN field.  *In case the Folio No. is less than 8 digits, enter the applicable number of 0s before the number after the first two characters of the name in CAPITAL letters e.g. If your name is Ramesh Kumar and Folio No. is 1, then enter RA00000001 in the PAN field.
<b>DOB*</b>	Enter the Date of Birth as recorded in dd/mm/yyyy format.
<b>Dividend Bank Details*</b>	Enter the Dividend Bank Details as recorded in your demat account or the Company records for the said folio If the details are not recorded with the Depository or Company, please enter the number of Shares held by you in the bank account column.

\*Please enter the DOB or dividend bank details in order to login.



# MIVEN MACHINE TOOLS LIMITED

## Notice Contd...)

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- f. After entering these details appropriately, click on "SUBMIT" tab.
- g. Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- h. For Members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- i. Now, select the Electronic Voting Sequence Number "EVSN" along with "MIVEN MACHINE TOOLS LIMITED" from the drop down menu and click on "SUBMIT".
- j. On the voting page, you will see Resolution Description and against the same, the option "YES/NO" for voting. The option "YES" implies that you assent to the Resolution and Option "NO" implies that you dissent to the Resolution. Enter the number of shares (which represents number of votes) under "YES/NO" or alternatively you may partially enter any number in "YES" and partially in "NO", but the total number in "YES" and "NO" taken together should not exceed your total shareholding.
- k. Click on the RESOLUTION FILE LINK if you wish to view the entire Notice.
- l. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- m. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- n. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- o. Note for Non - Individual Members and Custodians:
- Non-Individual Members (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details, a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (x) The Chairman shall, at the AGM, at the end of the discussion on the resolutions on which voting is to be held, allow voting, with the assistance of the Scrutinizer, by use of Poll Paper for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- (xi) The Results declared, alongwith the Scrutnizer's Report, will be posted immediately, after the declaration of the same by the Chairman on the Company's website [www.mivenmachinetools.in](http://www.mivenmachinetools.in) and also on the website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com)
- (xii) In case you have any queries or issues regarding remote e-voting, please contact [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or [mmtsecretarial@gmail.com](mailto:mmtsecretarial@gmail.com); Tel. No. 0836-2212221.
- (xiii) In case of any query or grievance relating to e-voting, members may contact Mr S G Gadagkar, Chief Financial Officer at the Registered Office of the Company at Telephone No 0836-2212221 or by email to [mmtsecretarial@gmail.com](mailto:mmtsecretarial@gmail.com).

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### EXPLANATORY STATEMENT

#### Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

##### Item no. 4 - Appointment of Mr. Vikram Sirur as the Managing Director

At the 28th Annual General Meeting held on September 13, 2013, the shareholders of the Company had approved the appointment of Mr. Vikram Sirur as the Executive Chairman for a period of three years with effect from June 30, 2013 and fixed his remuneration. Further, at the 29th Annual General Meeting held on September 27, 2014 and also at the 30th Annual General Meeting held on September 26, 2015 respectively, the shareholders of the Company had approved the appointment of Mr. Vikram Sirur as a Director subject to retirement by rotation. The Company has been immensely benefitted by the rich experience and guidance extended by Mr. Vikram R Sirur, Director of the Company in the management and policy making process, throughout his association as a Director of the Company. In this context, the Nomination and Remuneration Committee of the Company at its meeting held on April 14, 2017 has recommended the appointment of Mr. Vikram R Sirur as the Managing Director of the Company for a period of 3 years. Considering the need to retain his services, the Board of Directors at their meeting held on 20th April, 2017 have approved his appointment for a period of 3 years on remuneration and the terms and conditions mentioned above.

Following additional information as required under Schedule V to the Companies Act, 2013 is furnished below:

#### I. General Information:

(i) Nature of Industry:

The Company is engaged in the business of manufacturing CNC machines.

(ii) Date or expected date of commencement of commercial production:

The Company was incorporated on July 19, 1985 and started commercial production in January 1, 1987.

(iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable.

(iv) Financial performance based on given indicators - as per audited financial statements for the year ended March 31, 2017:

(Rs. in Lakhs)

SI No	Particulars	Financial Year ended		
		31-03-15	31-03-16	31-03-17
1	Gross Turnover and other income	648.01	386.14	341.31
2	Net profit as per statement of Profit and Loss (after tax)	(247.09)	(254.72)	(261.36)
3	Paid up share capital	300.35	300.35	300.35
4	Net worth	(-) 952.90	(-)1207.62	(-) 1468.98
5	Dividend	Nil	Nil	Nil

(v) Foreign investments or collaborators, if any:

Nil

#### II. Information about the appointee:

(i) Background details:

Mr. Vikram R Sirur obtained his graduate degree in chemical engineering from Durgapur Engineering College, Durgapur. He has recently attained the age of 70 years. He has wide experience in the machine tools industry. The Company has been immensely benefitted by the rich experience and guidance extended

# MIVEN MACHINE TOOLS LIMITED

## Notice Contd...)

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by Mr Virkam R Sirur, Director of the Company in the management and policy making process, throughout his association as a Director of the Company. He has considerable expertise in specific functional areas of designs of machines, customisation in accordance with the specifications of the customer, product innovation, cost control and arranging funds at short notice.

- (ii) Past remuneration during the financial year ended March 31, 2017:

Remuneration comprises of monthly salary, perquisites, retirement benefits and commission, the details of which are as under;

Financial year ended	Amount Rs
March 31, 2015	63,500
March 31, 2016	Nil
March 31, 2017	Nil

- (iii) Recognition or awards: Not applicable

- (iv) Job profile and his suitability:

He was appointed as a Director of the Company on October 15, 1998. The Company has been immensely benefitted by the rich experience and guidance extended by Mr Virkam R Sirur, Director of the Company in the management and policy making process, throughout his association as a Director of the Company. He has considerable expertise in specific functional areas of designs of machines, customisation in accordance with the specifications of the customer, product innovation, cost control and arranging funds at short notice.

- (v) Remuneration proposed:

**a) Salary:**

Rs 1,00,000 per month, inclusive of allowances, if any, payable under the Company's rules with discretion to the Board to fix the annual increment or provide additional allowances based on the performance of the Company in such manner that the total remuneration does not exceed the ceiling limits as applicable and as specified under Section 197 read with Schedule V to Companies Act, 2013.

**b) Allowances and perquisites**

Within the limits stipulated under the Companies Act, 2013 and Schedule V, Mr Vikram R Sirur shall be entitled to the following allowances and perquisites:

- c) Contribution to Provident Fund, Superannuation Fund or Annuity Fund as per Rules of the Company.
- d) The actual expenditure incurred by the company on premium paid under the Employer and Employee Scheme of LIC of India or any employment benefit scheme/superannuation fund scheme/annuity fund scheme framed by an approved Insurance Company in India.
- e) Gratuity:  
One half month's salary for each completed year of service subject to the ceiling as prescribed under the Income Tax Act, 1960
- f) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of origin)
- g) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any

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h) Notice Period and termination:

- (i) The appointment can be terminated from either side on communication of prior notice of 3 months and in case of any shortage of adequate notice of 3 months, remuneration for the period of shortfall shall be payable.
- (ii) Subject to the provisions of Section 197 of Companies Act, 2013, the Managing Director shall be entitled to compensation for loss of office, if before the expiration of the term of office, the tenure of his office is determined

### III. Other information:

(i) Reasons for loss or inadequate profits:

The demand for the machines manufactured by the Company has been the most impacted by sluggish demand and the margins continue to be low due to high cost of raw materials and other inputs.

(ii) Steps taken or proposed to be taken for improvement:

Company has streamlined its processes so as to reduce the costs of production and also focused on the customers who have been constantly using the machines of the company in the past. Management is taking necessary and adequate steps to protect the margins by aggressively targeting the premium customers and also improving the productivity by optimum utilisation of its limited resources.

(iii) Expected increase in productivity and profits in measurable terms;

There are visible signs of recovery in demand in the small machines segment. Management continues to focus on control on costs and increasing the margins alongwith internal capability building as well awaits a more robust business environment.

### IV. Disclosures:

Since the Company is a small company as defined in Regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and has been exempted from the compliance with provisions of Corporate Governance requirements and hence the details. However, the details as required are furnished as under:

- (i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pensions, etc of all the directors: Details have been furnished in the extract of Annual Return (MGT-9) under the Section VI.REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL, annexed hereto.
- (ii) Details of fixed component and performance linked incentives along with the performance criteria: Nil
- (iii) Service Contracts, notice period, severance fees; The appointment can be terminated from either side on communication of prior notice of 3 months and in case of any shortage of notice, payment of remuneration for the period of shortfall. and
- (iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable: No stock options were issued to any Director at any point of time right from the inception.

### **Justification for appointment of Mr. Vikram Sirur as the Managing Director in terms of provisions of Section 196(3)(a) of Companies Act, 2013**

Mr Vikram R Sirur obtained his graduate degree from Durgapur Engineering College, Durgapur. He has recently attained the age of 70 years on December 14, 2016.. He has wide experience in the machine tools industry. During the recent months, the business prospects of the Company appear to be more promising than before and it is expected that fresh enquires and orders will be received for manufacture of the machines and products of the Company during the ensuing financial years. There is an urgent need to address the challenges of increased level of activities both from the perspectives of manufacturing in accordance with the

# MIVEN MACHINE TOOLS LIMITED

## Notice Contd...)

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expectations of the customers, quality control and timely arrangement of funds. The Company has been immensely benefitted by the rich experience and guidance extended by Mr Virkam R Sirur, Director of the Company in the management and policy making process, throughout his association as a Director of the Company.

He has considerable expertise in specific functional areas of designs of machines, customisation in accordance with the specifications of the customer, product innovation, cost control and arranging funds at short notice. .

He has contributed immensely to the strengthening the operations of the company. The Board of Directors of the Company believes that at this juncture, it is important to have his services as the Managing Director of the company.

Except Mr Vikram R Sirur, none of the Directors, Key Managerial Personnel or their relatives are interested in the passing of the said Special Resolution no other director is interested in the proposed resolution.

### **Item no. 5 - Reappointment of Mr. Sanjay B. Baljekar, Independent Director**

At the 29th Annual General Meeting of the Company held on September 27, 2014, the shareholders of the Company had appointed Mr. Sanjay B. Baljekar (DIN: 01999874) as an Independent Director in line with the provisions of the Companies Act, 2013 upto the conclusion of the 32nd Annual General Meeting. The Nomination and Remuneration Committee has recommended the reappointment of Mr Baljekar as an Independent Director for a period of 5 years from the date of the 32nd Annual General Meeting and the Board of Directors accordingly recommends this resolution for approval of the members of the Company as a special resolution. Mr. Sanjay B. Baljekar is interested in the Resolution to the extent as it concerns his appointment. A brief resume of Mr Baljekar is furnished alongwith this notice. Except Mr Baljekar, none of the Directors, Key Managerial Personnel or their relatives are interested in the passing of the said Special Resolution.

### **Item no. 6 - Reappointment of Jitendra B. Divgi , Independent Director**

At the 29th Annual General Meeting of the Company held on September 27, 2014, the shareholders of the Company had appointed Mr. Jitendra B Divgi (DIN: 00471531) as an Independent Director in line with the provisions of Section 149 of the Companies Act, 2013 upto the conclusion of the 32nd Annual General Meeting. The Nomination and Remuneration Committee has recommended the reappointment of Mr Divgi as an Independent Director for a period of 5 years from the date of the 32nd Annual General Meeting and the Board of Directors accordingly recommends this resolution for approval of the members of the Company as a special resolution. Mr. Jitendra B Divgi is interested in the Resolution to the extent as it concerns his appointment. A brief resume of Mr Divgi is furnished alongwith this notice. Except Mr Divgi, none of the Directors, Key Managerial Personnel or their relatives are interested in the passing of the said Special Resolution.

By Order of the Board of Directors  
**for MIVEN MACHINE TOOLS LTD**

Place: Hubli  
Date: May 29, 2017

**Namrata Singh**  
Company Secretary

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### Notice Contd...)

Details of Directors seeking appointment and re-appointment as Directors at this Annual General Meeting pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard-2 on General Meetings.

Particulars	
Name of Director	Mrs. Vrinda Mantri
DIN	00848714
Date of Birth and Age	3-10-1947 Age 69 years
Date of first appointment	March 18, 2015
Qualifications	Bachelor of Arts
Expertise in specific functional areas	Guiding the companies in enhancing efficiency of performance, stepping up the capacity utilisation and maintaining cordial industrial relations
Directorship held in public and private companies (excluding foreign companies)	N A Sirur (Hubli) Private Limited Miven Machine Tools Limited
Memberships/Chairmanships of companies (only Audit and Stakeholder Relationship Committee)	Nil
Disclosures of relationship between directors inter se	Nil
Remuneration	Nil
No of meetings of the Board attended during the year	3
Shareholding in the Company	Nil
Particulars	
Name of Director	Mr. Sanjay B. Baljekar
DIN	01999874
Date of Birth and Age	19-09-1954 Age 63 years
Date of appointment	25-09-2009
Qualifications	Honours Graduate in Business Management from Sydenham College, Bombay
Expertise in specific functional areas	Has over 41 years of experience in engineering industry
Directorship held in public and private companies (excluding foreign companies)	Miven Machine Tools Limited Precomp Tools Private Limited Precomp Gears Private Limited Metform Vacutreat India Private Limited
Disclosures of relationship between directors inter se	Nil
Remuneration	Rs 10,000 towards sitting fees
No of meetings of the Board attended during the year	3
Memberships/Chairmanships of companies (only Audit and Stakeholder Relationship Committee)	Chairman of Audit Committee of Miven Machine Tools Limited Member of Nomination and Remuneration Committee of Miven Machine Tools Limited
Shareholding in the Company	Nil

# MIVEN MACHINE TOOLS LIMITED

## Notice Contd...)

Particulars	
Name of Director	Mr. Jitendra Bhaskar Divgi
DIN	00471531
Date of Birth and Age	26-10-1962 Age 55 years
Date of appointment	13-09-2013
Qualifications	Honours graduate in Mechanical Engineering from Birla Institute of Technology and Science, Pilani and M.S. Manufacturing Systems Engineering from University of Massachussets, USA.
Expertise in specific functional areas	He has vast experience in transmission systems and engineering industry. He is the Managing Director of Divgi TorqTransfer Systems Private Limited, Pune.
Directorship held in public and private companies (excluding foreign companies)	Nandu Chemicals Private Limited Miven Machine Tools Limited Divgi Transmission Systems and Technologies Private Limited Divgi Holdings Private Limited Divgi Metalwares Private Limited Divgi Torqtransfer Systems Private Limited Divgi Transmission Technologies Private Limited
Disclosures of relationship between directors inter se	Nil
Remuneration	Rs 5,000 towards sitting fees
No of meetings of the Board attended during the year	4
Memberships/Chairmanships of companies (only Audit and Stakeholder Relationship Committee)	Member of Audit Committee and Nomination and Remuneration Committee of Miven Machine Tools Limited
Shareholding in the Company	Nil

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### Notice Contd...)

Particulars	
Name of Director	Mr. Vikram R Sirur
DIN	00312980
Date of Birth and Age	14-12-1946 age 70 years
Date of first appointment	October 15, 1998
Qualifications	B.E. (Chem)
Expertise in specific functional areas	He has over 49 years of experience in the field of Engineering industry.
Directorship held in public and private companies (excluding foreign companies)	MIPRO International Private Limited N A Sirur (Hubli) Private Limited Miven Machine Tools Limited Miven Mayfran Conveyors Private Limited Ruris Tecnal Extraction Systems Private Limited Indian Machine Tools Manufacturers Association Finearc System Private Limited Cotmac Infotech Private Limited Cotmac Electronics Private Limited Sibella Private Limited Pratt Automation Private Limited IMTMA Machine Tools Industry Limited
Disclosures of relationship between directors inter se	Nil
Memberships/Chairmanships of companies (only Audit and Stakeholder Relationship Committee)	Member of Stakeholders committee
Remuneration	Nil
No of meetings of the Board attended during the year	5
Shareholding in the Company	300 equity shares and 200 equity shares are held by Mrs Alka Sirur, his wife

By Order of the Board of Directors  
**for MIVEN MACHINE TOOLS LTD**

Place: Hubli  
Date: May 29, 2017

**Namrata Singh**  
Company Secretary



# MIVEN MACHINE TOOLS LIMITED

## DIRECTORS' REPORT 2016-17

TO THE MEMBERS

MIVEN MACHINE TOOLS LIMITED

The Directors present the Thirty Second Annual Report and the Audited Financial Statements of Miven Machine Tools Limited ("Company") for the Financial Year ("FY") ended March 31, 2017.

### 1. FINANCIAL SUMMARY / HIGHLIGHTS

#### FINANCIAL RESULTS

	(Rs. in lakhs)	
	Financial Year ended	Financial Year ended
	31-03-2017	31-03-2016
Revenue from operations	280.25	372.34
Other income	61.06	13.81
Total income	341.31	386.15
Profit (Loss) Before Interest & Depreciation	(84.57)	(84.42)
Interest	161.03	153.06
Depreciation	15.76	17.24
Net Profit / (Loss)	(261.36)	(254.72)
Loss brought forward	(1523.24)	(1268.52)
Deficit carried to Balance Sheet	(1784.60)	(1523.24)

### 2. OPERATIONS AND STATUS OF COMPANY'S AFFAIRS

During the year under review, your company achieved a revenue from operations of Rs.280.25 lakhs as Rs 372.34 lakhs during the previous year. Company incurred a loss after tax of Rs 261.36 lakhs as against loss of Rs.254.72 lakhs during the previous financial year.

The machine tools industry has been passing through a prolonged period of recession and as a result the Company has been incurring losses year after year.

### 3. DIVIDEND

In view of the losses incurred by the Company in FY 2016-17 and in the absence of distributable profits, the Board of Directors do not recommend any dividend for the year.

### 4. AMOUNT PROPOSED TO BE CARRIED TO RESERVE:

In view of the losses suffered by the Company during the FY 2016-17, the question of carrying any amount to reserve does not arise.

### 5. Lifting of restrictions on the company, promoters and directors by SEBI:

Upon successful completion of the Offer for Sale by the promoters of the Company on October 1, 2015, the level of public share holding in the company had gone up from 13.81 % to 25 % and thus the Company became compliant with the Minimum Public Shareholding norms as stipulated under Rule 19(2)(b) and Rule 19 A of the Securities Contract (Regulation) Rules, 1957 read with Clause 40 A of the erstwhile listing agreement. Company had apprised the Securities and Exchange Board of India ("SEBI") and had requested SEBI to lift the restrictions imposed in its order dated June 4, 2013 on the promoters and Directors of the Company. SEBI had processed the application and provided an opportunity for a personal hearing on January 20, 2016. Representatives engaged by the company appeared before SEBI and highlighted the compliance status. On April 6, 2016, SEBI passed favourable orders, acknowledging the compliance status of Minimum Public Shareholding norms and revoked the restrictions imposed on the Company, promoters and Directors vide its earlier order dated June 4, 2013. However, since there was a delay in compliance with the minimum public shareholding norms, SEBI has informed that it is going to start adjudication proceedings.

### 6. SALE OF LAND NOT EXCEEDING 14 ACRES

After evaluating the feasibility of various of options and with a view to focus and improve efficiency and reduce the overall debt burden, the Board of Directors of the company during the previous financial year 2015-16 had decided to sell, assign, transfer and convey the land to the extent of not required for future operations. The Shareholders of the company had approved the sale of land by means of special resolution through the postal ballot pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 as under:

- Not exceeding 6.5 acres on March 28, 2016; and
- Not exceeding 7.5 acres on September 19, 2016

The Board of Directors will accordingly initiate further

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## DIRECTORS' REPORT (Contd...)

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steps for operationalising the approval granted by the shareholders of the company and dispose of the 14 acres of land and utilize the proceeds for reducing the debt burden and also meeting the working capital requirements and also the day to day expenses.

### 7. RISK MANAGEMENT

The Company has developed and implemented a Risk Management Policy for the Company including identification therein of elements of risk, which in the opinion of the Board may threaten the existence of the Company. Company has been making constant efforts to continue its status as a going concern.

### 8. INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Directors of the company have laid down internal financial controls in terms of the policies and procedures 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. Such internal financial controls are adequate with the size and operations of the Company and were operating efficiently.

### 9. DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has no tolerance for Sexual Harassment at Workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace ("Policy"). The Company has not received any complaints under the Prevention of Sexual Harassment Act for the FY 2016-17.

### 10. VIGIL MECHANISM

The Company has established a Vigil Mechanism ("Mechanism") by way of a Whistle Blower Policy for reporting of genuine concerns and/or grievances. The said Mechanism provides adequate safeguards against victimization of persons who use the mechanism and also provides direct access to the

Chairman of the Audit Committee in appropriate or exceptional cases.

### 11. DEPOSITS

The Company has not accepted any deposits from the public at the beginning of the year nor has it accepted any public deposits during the year under review.

### 12. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year under review, the Company has not given any loans or guarantees or provided security in connection with any loan or acquired securities of any other body corporate in terms of Section 186 of the Companies Act, 2013 ("Act").

### 13. DIRECTORS

In accordance with the provisions of Companies Act, 2013 and the Articles of Association of the Company, Mrs Vrinda Mantri, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for reappointment. The term of office of Mr. Sanjay Baljekar and Mr Jitendra B Divgi, the independent Directors is going to conclude at the ensuing Annual General Meeting, upon completion of 3 years, and it is proposed to reappoint them as Independent Directors for a term of five years at the ensuing Annual General Meeting.

The company has been immensely benefitted by the rich experience and guidance extended by Mr Vikram R Sirur as the Director of the Company in the management and policy making process throughout his association as the Director of the Company. In this context, the Nomination and Remuneration Committee at its meeting held on April 14, 2017 has recommended the appointment of Mr Vikram R Sirur as the Managing Director of the company for a period of 3 years Considering his contribution to the Company, the Board of Directors has appointed Mr Vikram R Sirur as the Managing Director of the Company for a period of 3 years with effect from April 20, 2017 subject to the approval of the shareholders through a special resolution at the ensuing Annual General Meeting. Accordingly, enabling Special resolution in this regard has been placed for consideration and approval of the shareholders at the ensuing Annual General Meeting.

# MIVEN MACHINE TOOLS LIMITED

## DIRECTORS' REPORT (Contd...)

### 14. NUMBER OF MEETINGS OF THE BOARD

During the financial year 2016-17, Company held 5 meetings of the Board of Directors. Details of attendance by the Directors at the Board meetings Meeting held during the financial year and the previous Annual General Meeting held on September 29, 2016 are furnished below:

No	Name of Director	No of Board Meetings held	No of Board meetings attended	Attendance at the last AGM Yes/No
1	Mr Vikram R Sirur	5	5	No
2	Mr Shyam M Sirur	5	5	No
3	Mr Sanjay B Baljekar	5	3	No
4	Mr Jitendra B Divgi	5	4	No
5	Mrs. Vrinda Mantri	5	3	No

### 15. DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149 OF COMPANIES ACT 2013

As required under the provisions of Section 149(6) of the Companies Act, 2013, Company has received declarations from the independent Directors viz. Mr Sanjay Baljekar and Mr Jitendra B Divgi stating that they meet the criteria of independence. In the opinion of the Board, Mr Sanjay Baljekar and Mr Jitendra B Divgi fulfilled the conditions specified in the Act and rules for appointment as Independent Directors and they are independent of management of the Company.

### 16. EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board has carried out an evaluation of the performance of individual directors, Committees constituted by the Board and the Board as a whole during the financial year under report, through a process of personal discussions followed by a review to determine and enhance the effectiveness of the individual Directors, Committees and the Board.

### 17. POLICY ON APPOINTMENT OF DIRECTORS AND REMUNERATION POLICY OF THE COMPANY

The Nomination and Remuneration Committee ("NRC") recommends the reconstitution of the Board as and when required. It also recommends to the Board, the appointment of Directors having good personal and professional reputation and conducts reference checks and due diligence of all Directors before recommending them to the Board.

In accordance with the provisions of Section 178 of the Act, the Board of Directors have adopted a Policy on Board Diversity and Director Attributes and the Remuneration Policy. The Policy on Board Diversity and Director Attributes has been framed to encourage diversity of thought, experience, knowledge, perspective, age and gender in the Board.

### 18. KEY MANAGERIAL PERSONNEL

The following persons were appointed as Key Managerial Personnel of the Company:

- 1) Mr. S G Gadagkar - Chief Financial Officer
- 2) Mr. Vikram Sirur as the Managing Director with effect from April 20, 2017
- 3) Mrs. Namrata Singh as Company Secretary with effect from April 20, 2017

### 19. DIRECTORS' RESPONSIBILITY STATEMENT

Based on the internal financial controls and compliance systems of the Company, work performed by the internal, statutory and secretarial auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2016-17.

Accordingly, pursuant to the provisions of Section 134(3) and 134(5) of the Act, the Board of Directors to the best of their knowledge and ability, confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;

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## DIRECTORS' REPORT (Contd...)

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- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a on going concern basis;
- e) they have laid down internal financial controls to be followed by the company and that such internal financial controls were adequate and operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 20. EXEMPTIONS TO SMALL COMPANIES FROM CORPORATE GOVERNANCE

Since the paid up capital of the company is less than Rs 10 crore and the networth is less than Rs 25 crore, the Company is exempted from the provisions of Clause 49 of the erstwhile Listing Agreement upto November 30, 2015 and from the provisions of corporate governance as specified in Regulations 17 to 28 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which came into force from December 1, 2015. In view of the same, details relating to compliance with the provisions of Corporate Governance have not been furnished in this Report.

### 21. Board and its Committees

#### a. Board

Five Board Meetings were held during FY 2016-17.

#### b. Audit Committee

The Audit Committee of Directors, comprising Mr. Sanjay Baljekar, Mr Jitendra B Divgi and Mr Shyam Sirur have reviewed the financial statements of the Company for the financial year 2016-17 and the report of the auditors thereon before they were submitted to the Board for approval. The composition

of the Committee is in line with the provisions of Section 177 of the Act.

#### c. Nomination and Remuneration Committee ("NRC")

The NRC comprises Mr. Sanjay Baljekar, Mr Jitendra B Divgi and Mr Shyam Sirur. The composition of the Committee is in line with the provisions of Section 178 of the Act.

#### d. Corporate Social Responsibility Committee

As regards the applicable provisions of the Act and the Rules framed there under, the Company is not required to constitute a Corporate Social Responsibility Committee.

Sitting fees were paid to Director/Member for attending any Board/ Committee Meeting held during the year under review. No commission was paid to any Director for FY 2016-17.

### 22. STATUTORY AUDITORS

The term of office of M/s B K Ramadhyani & Co, LLP as the statutory auditors would be upto the conclusion of the 32nd Annual General Meeting pursuant to the provisions of Section of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014. The Audit Committee has recommended appointment of M/s Rao Associates (Firm Registration No 003080S) as the statutory auditors of the Company for a period of 5 years. Company has received a letter from the said auditors to the effect that their appointment, if made, would be in accordance with Section 139 of the Act and that they are not disqualified for such appointment within the meaning of Section 141 of the Act.

Accordingly, it is As per the provisions of the Act read with the Companies (Audit and Auditors) Rules, 2014, it is proposed to Appoint. M/s Rao Associates (Firm Registration No 003080S), Chartered Accountants as the Statutory Auditors of the Company for a period of 5 years at the forthcoming AGM till the conclusion of the 37th AGM of the Company, subject to ratification by the Shareholders at every Annual General Meeting.

### 23. ACCOUNTING STANDARDS FOLLOWED BY THE COMPANY

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian

## DIRECTORS' REPORT (Contd...)

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GAAP) to comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

### 24. EXPLANATION ON STATUTORY AUDITORS' REPORT

#### i) Qualified opinion:

Attention of the members are invited to note 21(iii) of the financial statements wherein the Auditors have relied on the representation of the Company that the amount due from a customer of Rs.1,457,586/- 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 statements are not ascertainable.

#### Explanation:

The Company has considered an amount of Rs.1,457,586 due from a customer as good of recovery in respect of which the customer has made a counter claim of Rs 7,348,629. However, the said counter claim has been dismissed by Additional District Judge, Vijaywada. The customer has moved to High Court of Telangana and Andhra Pradesh. The Company has been advised by its legal counsel that the counter claim of the party is not sustainable in law. The Company is in discussion with legal counsel for initiating action for recovering all the dues. The Company is confident of recovering the dues and that the claim of the customer will not stand.

#### ii) Matters of Emphasis:

Without qualifying their opinion, the auditors have invited the attention of the members to note 32 of the financial statements, 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 inter alia dependent on the Company's ability to augment its working capital, execute sale orders and the support of the Company's bankers and holding company. We have also relied on the representation of the Company in this respect.

#### Explanation:

Considering the business plans made by the Company, orders on hand, reorganisation of product mix and with continued support from the Bankers and the Holding Company, the Company expects to recover from the losses. Considering all the facts,

including renewal of bank working capital limits and the company's decision to sell surplus land duly approved by the shareholders to augment the working capital requirements and reduce debts, the assumption of 'Going Concern' is not vitiated even though the net worth is eroded.

### 25. SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors has appointed Mr. Umesh P Maskeri, Practicing Company Secretary, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report dated May 29, 2017 in Form MR-3 received from the said Secretarial auditors is annexed to this report:

Explanation to the qualifications, reservations and adverse remarks or disclaimers made by Mr. Umesh P Maskeri, Practicing Company Secretary in his Report dated May 29, 2017 is furnished below:

#### (1) Appointment of Company Secretary:

Company has been passing through difficult financial conditions as the company has been incurring losses year after year. However, Company has initiated necessary steps to appoint Company Secretary. Company had published advertisement in Deccan Herald on April 20, 2016 inviting applications from suitable candidates. Since there was no response, Company published the advertisements again in Hosa Digantha on February 10, 2017 and in Deccan Herald on March 24, 2017. Company has recently appointed Mrs. Namrata Subhash Singh as the Company Secretary of the company with effect from 20th April, 2017.

#### (2) Appointment of Whole Time Managerial Personnel

At the 28th Annual General Meeting of the company held on September 13, 2013, the shareholders of the Company had re-appointed Mr Vikram R Sirur as the Executive Chairman of the Company and had also fixed his remuneration for a period of three years and his office was liable to retire by rotation. Further at the 29th Annual General Meeting held on September 27, 2014, the shareholders of the Company had re-appointed Mr Vikram R Sirur as the Director

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## DIRECTORS' REPORT (Contd...)

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retiring by rotation. Mr Vikram Sirur has not drawn any remuneration for the last two financial years owing to the difficult financial conditions of the Company. His change of designation as Non Executive Director was taken note by the Board of Directors of the company at its meeting held on April 10, 2017. Considering his contribution to the Company and in terms of the recommendation of the Nomination and Remuneration Committee, the Board of Directors has decided to appoint Mr Vikram R Sirur as the Managing Director of the Company for a period of 3 years with effect from April 20, 2017, subject to the approval by means of a special resolution of the shareholders at the ensuing General Meeting. Accordingly, enabling Special resolution in this regard has been placed for consideration and approval of the shareholders at the ensuing 32nd Annual General Meeting.

### **(3) Delay in publication in newspapers**

Company has been regular in arranging publication of the matters in the newspapers. However, in certain instances, although the text of publication in newspapers was released in time, the advertisement in newspapers was not published owing to the delay in releasing payment for earlier bills due to constraints of funds, in spite of best efforts. However, the required information was filed with BSE and BSE had displayed the information on their website promptly. In addition to this, the information was also displayed on the website of the company. Hence the slight delay in publication in newspapers has not adversely affected the interest of the public shareholders.

### **(4) Joint Certificate**

Company is in the process of submitting the joint certificate confirming the compliance with the provisions of Regulation 7(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to BSE on July 26 2017 pertaining to the half year ended September 30, 2016, which was missed out inadvertently. However, the company has promptly submitted the said certificate to BSE for the previous half year ended March 31, 2016 and subsequent half year ended March 31, 2017 within the timelines stipulated by BSE in this regard.

### **25. INFORMATION ON MATERIAL CHANGES AND COMMITMENTS**

Company has appointed Mr Vikram R Sirur as the Managing Director for a period of 3 years with effect from April 20, 2017 and Mrs Namrata Singh as the Company Secretary with effect from April 20, 2017. Except these appointments, no other material changes or commitments, affecting the financial position of the company have occurred between March 31, 2017 to which the financial statements relate and May 29, 2017, being the date of this report.

### **26. RELATED PARTY TRANSACTIONS**

During the year, the Company has not entered into any transactions with Related Parties which are not in its ordinary course of business or not on an arm's length basis and which require disclosure in this Report in terms of the provisions of Section 188(1) of the Act.

However, the details of material contracts or arrangements or transactions with Related Parties on an arm's length basis with respect to transactions covered under Section 188(1) of the Act are attached to this report, in the prescribed Form No. AOC-2. Further, details of Related Party Transactions as required to be disclosed by Accounting Standard - 18 on "Related Party Disclosures" specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014, are furnished in the Notes to the Financial Statements.

### **27. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS**

During the year under review, no significant or material orders were passed by the regulators, courts or tribunal impacting the going concern status and company's operations in future.

### **28. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 134(3)(a)**

The auditors of the company have not reported any fraud under sub-section (12) of Section 143 of the Companies Act, 2013 whether reportable to the Central Government or otherwise and hence no details are furnished in this regard.

### **29. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO**

Information required Rules 8 (3)(A) and (B) of the Companies (Accounts) Rules, 2014, concerning conservation of energy, technology absorption and

## DIRECTORS' REPORT (Contd...)

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foreign exchange outgo have been furnished in Annexure to this report.

### 30. CHANGE IN THE NATURE OF BUSINESS:

There was no change in the nature of business during the year.

### 31. DETAILS PERTAINING TO REMUNERATION AND OTHER DETAILS AS REQUIRED UNDER SECTION 197(12) OF THE ACT READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The information stipulated under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is furnished below:

i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17: Not applicable as the company has been incurring losses and further no remuneration was paid to any Director.

ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary - if any, in the financial year 2016-17:

There was no increase in remuneration of each Director, CFO, CS & CEO in the financial 2016-17.

iii) The percentage increase in the median remuneration of employees in the financial year 2016-17:

There was no increase in remuneration of employees during the year.

iv) The number of permanent employees on the roles of the Company: 20

v) The explanation on the relationship between average increase in remuneration and Company performance:

There was no increase in remuneration and since the company is under loss, explanation is not necessary.

vi) Comparison of the remuneration of the key managerial personnel against the performance of the company:

Since the Company is making loss, no comparison is possible.

vii) The key parameters for any variable component of remuneration availed by the directors:

Not Applicable.

viii) The ratio of the remuneration of the highest paid director to that of the employees who are not

directors but receive remuneration in excess of the highest paid director during the year:

Not Applicable

ix) Average percentile increase already made in the salaries of employees other than the managerial personnel in the past financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

There was no increase in the salaries of employees other than managerial personnel and also managerial personnel, hence no comparison is possible.

x) During the year under review there was no employee who was in receipt of a remuneration of Rs.5,00,000/- per month or Rs.60,00,000/- per annum and hence the particulars of the employees as required in terms of Sub Rule 2 of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, does not attract.

xi) Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies.

Until the last financial year 2014-15, there was no trading in the shares of the company on the BSE Limited after April 05, 2002. During the year 2015-16, transactions have been effected in the shares of the company on the BSE limited and the last traded price on March 31, 2016 was Rs 6.96 . During the financial year 2016-17, transactions have been effected in the shares of the company. The market capitalization of the company as on March 31, 2017 was Rs 324.98 lakhs as against Rs 209.04 lakhs on March 31, 2016. Since the company has been incurring losses, the computation of price earnings ratio is not applicable.

### 32. EXTRACT OF THE ANNUAL RETURN

An extract of the Annual Return in the prescribed Form MGT-9 is attached as Annexure A and forms part of this Report.

### 33. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management discussion and analysis report as required under Para (B) of Schedule V read with

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## DIRECTORS' REPORT (Contd...)

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Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached in Annexure B and forms part of this Report.

### **34. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT**

The company does not have any shares in the demat suspense account or unclaimed suspense account and hence the question of making any disclosure in this regard does not arise.

### **35. ACKNOWLEDGEMENTS**

The Directors place on record their appreciation of the continuing support of the stakeholders of the Company. The Board also records its appreciation of the services rendered by the management of the Company.

**On behalf of the Board of Directors  
For Miven Machine Tools Limited**

**Shyam M Sirur**

Director

Hubli

Date: May 29, 2017

Registered Office:  
Tarihal Industrial Area,  
Tarihal Hubli

**Vikram R Sirur**

Managing Director



# MIVEN MACHINE TOOLS LIMITED

## ANNEXURE-B

Form No. MGT-9

### **EXTRACT OF ANNUAL RETURN**

as on the financial year ended on March 31, 2017

(Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014)

#### **I REGISTRATION AND OTHER DETAILS :**

- i) CIN : L29220KA1985PLC007036
- ii) Registration Date : 19.07.1985
- iii) Name of the Company : Miven Machine Tools Ltd.
- iv) Category / Sub-Category of the Company : N. A.
- v) Address of the Registered office and contact details : Tarihal Industrial Area, Tarihal, Hubli - 580 026 Karnataka
- vi) Whether listed company : Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : Mr. Nagesh Rao R, Assistant Vice President  
BgSE Financials Ltd.,  
Stock Exchange Towers,  
51, 1st Cross, J. C. Road,  
Bangalore - 560 027  
Tel: 080 41575234 / 35  
Mobile: 7760968051  
E-mail: avp\_rta@bfsi.co.in

#### **II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1.	Mfg. of CNC Machines		100%

#### **III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sl. No.	Name and address of the Company	CIN / GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1.	N. A. Sirur (Hubli) Pvt. Ltd., Syed Building, Lamington Road, Hubli - 580 020	U17111KA1981 PTC004382	Holding	74.98	2(46)

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### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

#### I.) Category-wise Share Holding:

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
g) Individual / HUF	500	Nil	500	0.02	500	Nil	500	0.02	Nil
h) Central Govt.									
i) State Govt(s)									
j) Bodies Corp.	2252100	Nil	2252100	74.98	2252100	Nil	2252100	74.98	Nil
k) Banks / FI									
l) Any Other.....									
Sub-total									
(A) (1) :	2252600	Nil	2252600	75.00	2252600	Nil	2252600	75.00	Nil
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp									
d) Banks / FI									
e) Any Other									
Sub-total									
(A) (2):	00	Nil	00	00	00	Nil	00	00	Nil
Total Shareholding of Promoter (A) = (A)(1)+ (A) (2)	2252600	Nil	2252600	75.00	2252600	Nil	2252600	75.00	Nil
B. Public Share-holding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt.									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									

# MIVEN MACHINE TOOLS LIMITED

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
I) Others (Specify)									
<b>Sub-total (B)(1):</b>	00	00	00	00	00	00	00	00	00
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	453	51100	51553	1.72	953	51100	52053	1.72	00
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 2 lakh	94405	315150	409555	13.63	121935	311550	433485	14.43	0.8
ii) Individual share holders holding nominal share capital in excess of Rs. 2 lakh	289792		289792	9.65	262262		262262	8.73	0.92
c) Others (specify)				0	3100		3100	0.12	0.12
Sub-total (B)(2)	384650	366250	750900	25.00	388250	362650	750900	25.00	Nil
Total Public Shareholding (B) = (B)(1) + (B)(2)	384650	366250	750900	25.00	388250	362650	750900	25.00	Nil
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	2637250	2618850	3003500	100.00	2640850	362650	3003500	100.00	Nil

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### ii.) Shareholding of Promoters :

Sl. No.	Share-holder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	N A Sirur (Hubli) Pvt. Ltd.	2252100	74.98	Nil	2252100	74.98	Nil	Nil
2	Vikram R. Sirur	300	0.01	Nil	300	0.01	Nil	Nil
3	Alka V. Sirur	200	0.01	Nil	200	0.01	Nil	Nil
	<b>Total</b>	<b>2252600</b>	<b>75.00</b>	<b>Nil</b>	<b>2252600</b>	<b>75.00</b>	<b>Nil</b>	<b>Nil</b>

### Change in Promoters' Shareholding (please specify, if there is no change):

Sl. No.		Shareholding at the beginning of the year		Cumulative Share holding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
<b>There is no change in the Promoters / Shareholding during the year</b>					

## MIVEN MACHINE TOOLS LIMITED

iii.) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl No	Name of the shareholder	Shareholding at the beginning of the year as on 01.04.2016		Cumulative Shareholding end of the year as on 31.03.2017	
		No of Shares	% of total Shares of the Company	No of Shares	% of total Shares of the Company
1.	SHRIPAD GOGGI	0	0	89467	2.90
2.	PRUDENTIAL MANAGEMENT AND SERVICES PRIVATE LIMITED	50000	1.66	50000	1.66
3.	KOKILA MAHINDRA PARIKH	44799	1.48	0	0.00
4.	SURESHKUMAR RAJMAL SALGIA	44799	1.50	44799	1.50
5.	ASHISH MAHENDRA PARIKH	44798	1.48	0	0.00
6.	APARNA KINI	42665	1.42	42665	1.42
7.	MANOHAR KAMALAKSH RAO	42665	1.42	42665	1.42
8.	BHAVINI JAIN	27400	0.91	0	0.00
9.	GURUDEVI ASHOK SHETTY	21333	0.70	21333	0.70
10.	ASHOKKUMAR SHIVANAND SHETTY	21333	0.70	21333	0.70
11.	DEEPAK MAGANBHAI MAKWANA	0	0	16300	0.50
12.	VITTU BAJRANGLAL AGARWAL	13400	0.40	13400	0.40
13.	NARENDRA KUMAR SURANA	0	0	10000	0.30

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### iv.) Shareholding of Directors and Key Managerial Personnel:

SL. No.	Particulars	Shareholding at the beginning of the year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	At the beginning of the year	300	0.01	300	0.01
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity, etc.)	Nil	Nil	Nil	Nil
3	At the End of the year	300	0.01	300	0.01

### v) INDEBTEDNESS:

Indebtedness of the Company including interest outstanding / accrued but not due for payment:

(Rupees in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i.) Principal Amount	638.83	671.00	Nil	1309.83
ii.) Interest due but not paid	17.08	115.65	Nil	132.73
iii.) Interest accrued but not due	-	-	Nil	-
<b>Total (i + ii + iii)</b>	<b>655.91</b>	<b>786.65</b>	<b>Nil</b>	<b>1442.56</b>
Change in Indebtedness during the financial year				
Addition	246.79	61.44	Nil	308.23
Reduction	279.05	22.50	Nil	301.55
<b>Net Change</b>	<b>(32.26)</b>	<b>38.94</b>	<b>Nil</b>	<b>6.68</b>
<b>Indebtedness at the end of the financial year</b>				
I.) Principal Amount	620.59	709.94	Nil	1330.53
ii.) Interest due but not paid	3.06	157.43	Nil	160.49
iii.) Interest accrued but not due	-	-	Nil	-
<b>Total (i + ii + iii)</b>	<b>623.65</b>	<b>867.37</b>	<b>Nil</b>	<b>1491.02</b>

# MIVEN MACHINE TOOLS LIMITED

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

### A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

Sl. No.	Particulars of Remuneration	Total Amount
		Vikram Sirur, Executive Chairman from 1-04-2016 to 30-06-2016
1.	<b>Gross Salary:</b>	Nil
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil
2.	<b>Stock Option</b>	Nil
3.	<b>Sweat Equity</b>	Nil
4.	<b>Commission</b> - as % of profit - others, specify	Nil
5.	<b>Others, please specify</b>	Nil
	<b>Total (A)</b>	Nil
	<b>Ceiling as per the Act</b>	Nil

### B. Remuneration to other directors:

Sl. No	Particulars of Remuneration	Name of Directors					Total Amount
		Sanjay B. Baljekar	Jitendra B. Divgi	Shyam Sirur	Vrinda Mantri	Vikram Sirur	
1	Independent Directors	Rs.	Rs.	Rs.	Rs.	Rs.	Rs
	Fee for attending board committee meetings	10000	5000		Nil	Nil	15000
	Commission						
	Others, please specify						
	Total (1)	10000	5000		Nil	Nil	15000
2	Non Executive Directors						
	Fee for attending board committee meetings			7500	Nil	Nil	7500
	Commission						
	Others, please specify	-	-	-			
	Total (2)	-	-	7500	Nil	Nil	7500
3	Total (B) = (1 + 2)	10000	5000	7500	Nil	Nil	22500
	Total Managerial Remuneration	10000	5000	7500	Nil	Nil	22500
	Overall Ceiling as per the Act						

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### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD :

Sl. No.	Particulars of Remuneration	Company Secretary	CFO	Total
1.	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	2,12,400	2,12,400
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	1,13,360	1,13,360
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission	Nil	Nil	Nil
	-as % of profit - others, specify	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil
	<b>Total</b>	<b>Nil</b>	<b>3,25,760</b>	<b>3,25,760</b>

### VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / COURT)	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
<b>B. DIRECTORS</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil

On behalf of the Board of Directors  
For Miven Machine Tools Limited

Shyam M Sirur  
Director

Hubli

Date: May 29, 2017

Registered Office: Tarihal Industrial Area, Tarihal, Hubli

Vikram R Sirur  
Managing Director



# MIVEN MACHINE TOOLS LIMITED

## FORM AOC - 2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

### 1. Details of contracts or arrangements or transactions not at arm's length basis

a Name(s) of the related party and nature of relationship	-
b Nature of contracts / arrangements / transactions	-
c Duration of the contracts / arrangements / transactions	-
d Salient terms of the contracts or arrangements or transactions including the value, if any	-
e Justification for entering into such contracts or arrangements or transactions	-
f Date(s) of approval by the Board	-
g Amount paid as advances, if any	
h Date on which the special resolution was passed in general meeting as required under first proviso to section 188	-
2 Details of material contracts or arrangements or transactions at arms' length basis	
a Name(s) of the related party and nature of relationship	Miven Mayfran Conveyors Private Limited
b Nature of contracts / arrangements / transactions	Purchase and sale of material in the ordinary course of business
c Duration of the contracts / arrangements / transactions	Ongoing
d Salient terms of the contracts or arrangements or transactions including the value, if any	Purchase of material for during the financial year 2016-2017 for Rs 3,96,517/-
e Date(s) of approval by the Board, if any	Not applicable as Section 188 is not attracted..
f Amount paid as advance, if any	Nil

**Note:** The Contracts, arrangements or transactions entered into with related parties during the year were not of a material nature, considering 10% of income / expenditure/asset / liability, under with the relevant item falls.

For and on behalf of the Board  
For Miven Machine Tools limited

**Vikram R Sirur**  
Managing Director

May 29, 2017  
Registered Office:  
Tarihal Industrial Area,  
Tarihal, Hubli

# 32<sup>nd</sup> Annual Report 2016 - 2017

## MANAGEMENT DISCUSSION AND ANALYSIS

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### a. Industry Structure and Developments:

The Company manufactures CNC horizontal turning lathes of 6" and above. The company caters to the special needs of certain sectors of capital goods industry and hence is having a very limited market size. Moreover, since the life of the machine is long lasting, the demand for replacement of machines from the same customer is very remote.

### b. Opportunities and Threats:

Make in India initiative pursued by the new government at the Centre is believed to have created huge opportunities for the manufacturing sector in general including the segment in which your company is operating. It is learnt that many of the industries in the defense and automotive segments are considering expansion of their product lines and this could provide the much needed breathing space for the revival of the fortunes of the Company within a period of next two to three years.

At the same time, many competitors are also entering the market. Reduced custom duty on imported machinery of similar kind, large working capital needs, high cost of carrying inventories due to longer time for conversion into sales, high interest cost on borrowed funds, rejection of product on delivery on flimsy grounds by the customers belonging to public sector has largely affected the viability of operations and pose real threats to the survival of this industry. Moreover, the machine tools industry has been experiencing the trends of recession since a long time.

### c. Segment-wise or product wise performance:

Your company manufactures only one type of product i.e. CNC turning machine and ancillary machines and hence operates only in one product segment. During the year under review, the Company has manufactured a limited number of machines.

### d. Outlook

The outlook seems to be bright provided the company as the market acceptability of the product is quite sound and in case the company is able to operate on the strength of own funds rather than depending upon the borrowing from Banks at high interest rate. The proposed measures to dispose of the land aggregating to 6.5 acres in area as approved by the Shareholders recently would bring in funds which will enable to company to clear off part of the borrowings, out of the proceeds of sale of land, company would be in a position to reduce the interest burden and also generate funds towards working capital. All these measures are positive signals which could turn around the Company in the years to come and the management is working seriously for implementation of the said plans.

### e. Risk and concerns:

Rising input costs and high interest burden on borrowed funds poses real challenges in maintaining a healthy margin on the sales and profitability. Delay by the customers in pre-acceptance testing and final trials prior to shipment has created adverse liquidity constraints as the level of inventory piles up especially from the customers pertaining to the government department customers

### f. Internal Control systems and their adequacy:

Company has a proper and adequate internal control systems which ensures that all the assets and raw materials and spare parts are adequately safeguarded against loss from unauthorized use and pilferage. All the transactions and movements are checked, verified and recorded properly. Regular internal audit processes are in place which are conducted by independent professionals and these systems are working satisfactorily.

### g. Discussions on financial performance with respect to operational performance:

The company suffered a setback during the financial year 2016-17 and incurred a loss of Rs. 261.36 lakhs as against Rs. 254.72 lakhs during the previous financial year. The details of financial performance has been furnished in the Balance Sheet and Profit and Loss Account.

### h. Material developments in Human Resources/Industrial relations front, including number of people employed:

In order to cut down the manpower cost, company was constrained to reduce its head count from 30 to 20 and the transition has been very smooth. The existing employees, are highly motivated, have taken upon themselves

# MIVEN MACHINE TOOLS LIMITED

## MANAGEMENT DISCUSSION AND ANALYSIS (Cont...)

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the additional task and responsibility and ensured that the production has been continued seamlessly. Clearly, the exit of the former employees has not affected the operations. Further, the Executive director vacated his office and his functions have been efficiently looked after by the senior staff. The employer employee relations remained very cordial throughout the year.

### **INFORMATION PURSUANT TO THE PROVISIONS OF SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014**

#### **A. CONSERVATION OF ENERGY:**

##### **(i) Steps taken or impact on conservation of energy:**

Operations of the company are not power intensive. However, steps have been taken to minimize the power consumption.

##### **(ii) Steps taken by the company for utilizing alternate sources of energy:**

Company is exploring options to consider utilizing alternate sources of energy like generation of electricity by using solar energy and/wind power, after the company is able to repay the debts and becomes cash rich.

##### **(iii) Capital investment on energy conservation equipments:**

Company is heavily debt ridden and has been incurring losses year after year. At this stage, Company cannot afford to make any capital investment for any energy conservation or exploring alternate sources of energy.

#### **B. TECHNOLOGY ABSORPTION**

##### **i) Efforts made towards technology absorption:**

Company has fully absorbed the present technology deployed for manufacture of CNC machines.

##### **ii) Benefits derived like product improvement, cost reduction, product development or import substitution.**

The benefits of products improvement are likely to accrue after an estimated period of 5 years when the company is able to repay all its debts and generates sufficient profits to run the operations on the strength of its own funds.

iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Not applicable as the company has not imported any technology during the period of last three years.

a) Details of technology imported: Not applicable

b) The year of import: Not applicable

c) Whether the technology has been fully absorbed: Not applicable

d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof: Not applicable; and

iv) The expenditure incurred on Research and Development; Nil.

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Form No. MR-3

## SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2017

Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To  
The Members,  
**Miven Machine Tools Limited**  
Registered Office, Tarihal Industrial Area, Tarihal  
HUBLI-580026

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Miven Machine Tools Limited (hereinafter called "the company") incorporated on July 19, 1985, having its Corporate Identification Number ("CIN") as L29220KA1985PLC007036 and its registered office at Tarihal Industrial Area, Tarihal, Hubli-580026. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998
- (i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with effect from December 1, 2015

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India - with effect from July 1, 2015
- (ii) The Listing Agreements entered into by the Company with BSE Ltd as well as the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- 1) Appointment of Company secretary:  
Upon resignation of Mr V N Hasalkar with effect from . November 24, 2015, the post of the Company Secretary became vacant. Company was required to fill up the said vacancy within six months thereof as required under Section 203 of the Companies Act, 2013. The Company had not appointed the Company Secretary until the end of financial year 2016-17, although the Company has subsequently appointed the Company Secretary on April 20, 2017.
- 2) Appointment of Whole Time Director:

# MIVEN MACHINE TOOLS LIMITED

The post of the Whole Time Director became vacant on June 30, 2016 upon the conclusion of the term of office of Vikram R Sirur as the Executive Chairman of the Company. Company was required to fill up the said vacancy within six months i.e. by December 30, 2016 as required under Section 203 of the Companies Act, 2013. The Company had not appointed the Whole Time Director until the end of financial year 2016-17, although the Company has subsequently appointed the Managing Director on April 20, 2017.

### 3) Delay in publication of newspaper advertisement:

There was delay in publication of advertisement in newspapers, as under:

Sl No.	Subject Matter of publication of advertisement	Due date	Actual date	No of days of delay
1	Audited financial statements for the financial year ended March 31, 2016: board Meeting held on May 28, 2016: as required under Regulation 47(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations	30-05-16	02-06-16	2 days
2	Un-audited financial statements for the financial year ended June 30, 2016: board Meeting held on August 9, 2016 as required under Regulation 47(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations.	11-08-16	12-06-16	1 day
3	Information on despatch of notice of postal ballot atleast 5 days prior to the date of commencement of the voting period : As required under Rule 22 read with Rule 20(v) of Companies (Management and Administration) Rules, 2014	14-08-16	18-08-16	4 days

4. Company has not filed the joint certificate under Regulation 7(3) of the SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 for the half year ended September 30, 2016, although it has filed the said certificate for the half years ended March 31, 2016 and March 31, 2017 respectively.

### If further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, except as mentioned above. The Company has appointed the Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes-All the resolutions were passed unanimously-.

I further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the Company has adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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I further report that during the financial year ended March 31, 2017:

- 1) The Shareholders of the company have approved the sale of land by means of special resolution through the postal ballot, pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013, as under:
  - i) Not exceeding 6.5 acres on March 28, 2016; and
  - ii) Not exceeding 7.5 acres on September 19, 2016
- 2) Upon successful completion of the Offer for Sale by the promoters of the Company on October 1, 2015, the level of public share holding in the company had gone up from 13.81 % to 25 % and thus the Company became compliant with the Minimum Public Shareholding norms as stipulated under Rule 19(2)(b) and Rule 19A of the Securities Contract (Regulation) Rules, 1957 read with Clause 40 A of the erstwhile listing agreement. On April 6, 2016, SEBI passed favourable orders, acknowledging the compliance status of Minimum Public Shareholding norms and revoked the restrictions imposed on the Company, promoters and Directors vide its earlier order dated June 4, 2013. However, since there was a delay in compliance with the minimum public shareholding norms, SEBI has informed that it is going to start adjudication proceedings.

Place: Hubli  
Date : May 29, 2017

**UMESH P MASKERI**  
PRACTICING COMPANY SECRETARY  
FCS No 4831 COP No. 12704

Note: This report is to be read with our letter of even date which is annexed as ANNEXURE A and forms an integral part of this report.

# MIVEN MACHINE TOOLS LIMITED

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## ANANEXURE A

To  
The Members  
Miven Machine Tools Limited  
Tarihal Industrial Area, Tarihal  
Hubli-58026

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Hubli  
Date : May 29, 2017

**UMESH P MASKERI**  
PRACTICING COMPANY SECRETARY  
FCS No 4831 COP No. 12704

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### ANNEXURE I OTHER LAWS APPLICABLE TO COMPANY

1	The Factories Act,
2	The Industries Development and Regulation Act
3	The Income-tax Act, 1961
4	The Indian Customs Act
5	The Indian Central Excise Act
6	Service Tax Act, 1994
7	The Employees Provident Fund Act, 1952
8	The Payment of Gratuity Act, 1972
9	The Payment of Bonus Act
10	The Indian Stamp Act
11	The Karnataka Stamp Act
12	Pollution Control Act,
13	Negotiable Instruments Act, 1881
14	Indian Registration Act, 1908
15	Information Technology Act, 1996
16	Prevention of Sexual Harassment of women at Workplace Act,
17	Motor Vehicle Act, 1988
18	The Minimum Wages Act, 1948
19	Weekly Holidays Act, 1942
20	Karnataka Shops and Establishment Act, 1948
21	The Employees State Insurance Act, 1948
22	Karnataka Profession Tax Act
23	Prevention of Money Laundering Act,
24	The Workmen's Compensation Act, 1923 & Rules, 1924
25	The Environment (Protection) Act, 1986 (Amended 1991)
26	The Contract Labour (Regulation & Abolition) Act, 1971
27	The Equal Remuneration Act, 1976 and Rules 1976
28	The Export and Import Policy of India
30	The Patents Act, 1970
31	The Trade Marks Act, 1999
32	Micro, Small and Medium Enterprises Development Act, 2006

Place: Hubli  
Date : May 29, 2017

**UMESH P MASKERI**  
PRACTICING COMPANY SECRETARY  
FCS No 4831 COP No. 12704



# MIVEN MACHINE TOOLS LIMITED

## INDEPENDENT AUDITOR'S REPORT

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### TO THE MEMBERS OF

### MIVEN MACHINE TOOLS LIMITED, HUBLI

#### Report on the Standalone Financial Statements:

We have audited the accompanying financial statements of Miven Machine Tools Limited ("the Company") which comprise of Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year ended and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting policies generally accepted in India, including the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility:

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

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

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

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

#### Basis of Qualified Opinion:

Attention of the members are invited to note 21(iii) of the financial statements wherein we have relied on the representation of the Company that the amount due from a customer of Rs.1,457,586/- 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 statements are not ascertainable.

#### Qualified Opinion:

In our opinion and to the best of our information and according to the explanations given to us except for the matters described in the Basis of Qualified Opinion, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2017, and its loss and its cash flows for the year ended on that date.

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## Matters of Emphasis:

Without qualifying our opinion we invite the attention of the members to note 32 of the financial statements, 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 inter alia dependent on the Company's ability to augment its working capital, execute sale orders, profitable sale/disposal of the inventories on hand, the company's decision to sell surplus land duly approved by the shareholders to augment the working capital requirements and reduce 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.

## 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 of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by the section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The balance sheet, the statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.

- e. On the basis of the written representations received from the directors as on March 31, 2017 taken on the record by the Board of Directors, none of the directors is disqualified as on that date from being appointed as a director in terms of section 164(2) of the Act.
- f. 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".
- g. With respect to other matters to be included in the Auditors report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us,
  - i) The Company has disclosed the impact of pending litigations on its financial statements as referred in note 21. (ii) to (vi) to the financial statements.
  - ii) 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 recognized in the financial statements. Further the Company has not entered into any derivative contracts as referred in note no 38 of the financial statements.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 as referred in note no 18 of the financial statements.

**For B.K.RAMADHYANI & CO. LLP**  
Chartered Accountants  
Firm Registration No. 002878S/S200021

**(Vasuki H S)**  
Partner  
Membership No. 212013

Place: Hubli  
Date: May 29, 2017

# MIVEN MACHINE TOOLS LIMITED

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

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1. a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on basis of available information.  
b. According to the information and explanation given to us by the management, all the fixed assets have been physically verified by the management in a phased manner, which in our opinion is at reasonable intervals. As represented to us by the Company no material discrepancies were noticed during such physical verification.  
c. According to the information and explanation given to us and as represented to us by the company, the title deeds of immovable properties are held in the name of the Company except in respect of the free hold land of book value Rs 1,905,066/- wherein the sale deed of the said land is in the name of "Giddings and Lewis India Limited" the earlier name of the Company. Refer note 11 of the financial statements.
2. The Company has a program of physical verification of inventory which is conducted at reasonable intervals by the management and as informed to us there were no material discrepancies noticed on such verification.
3. The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, hence clause 3(iii) (a) to (c) of the Order is not applicable.
4. 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.
5. The Company has not accepted any deposits as applicable under the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other provisions of the Companies Act and rules framed under. Accordingly, the provisions of clause 3(v) of the said Order are not applicable.
6. To the best of our knowledge and explanations given to us, the maintenance of cost records under clause (d) of sub-section (1) of section 148 of the Companies Act, 2013 are not applicable to the Company.
7. (a) According to the records of the Company, the Company is regular in depositing undisputed statutory dues including sales tax, duty of customs, value added tax, cess and any other statutory dues to the appropriate authorities except in case of depositing dues in respect of duty of excise, provident fund, employees' state insurance, income tax deducted at source, profession tax and service tax there have been consistent delays in depositing though the same has been subsequently remitted. As at March 31, 2017 there are no statutory dues outstanding for a period of more than six months from the date they became payable.  
(b) According to the records of the Company and according to the information and explanation given to us, there are dues outstanding on account of any disputes in respect of sales tax and the details of the same has been provided in note 21(iv)(b) of the Financial Statement.
8. The Company has taken loans from a bank and National Small Industries Corporation Limited (Raw Material Assistance against bank guarantee) (herein referred as "NSIC") and has not defaulted in repayment to the bank and NSIC. As represented to us by the Company there are no debentures.
9. The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company.
10. According to the information and explanation given to us, there are no frauds reported by the Company or any fraud on the company by its officers or employees has been noticed or reported during the year. Accordingly, the provisions of clause 3(x) of the said Order are not applicable.
11. According to the information and explanations given by the management, no managerial remuneration has been paid or provided. Accordingly, the

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provisions of clause 3(xi) of the said Order are not applicable.

12. The Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the said Order are not applicable.
13. In our opinion and according to the information and explanation given to us and as represented to us by the management, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in note 37 of the financial statements as required by the applicable accounting standards.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under

review. Accordingly, the provisions of clause 3(xiv) of the said Order are not applicable.

15. As represented to us by the management and according to the information and explanation given to us by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the said Order are not applicable.
16. According to the information and explanation given, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly clause 3(xvi) of the Order is not applicable to the Company.

Place : Hubli  
Date : May 29, 2017

**For B.K.RAMADHYANI & CO. LLP**  
Chartered Accountants  
Firm Registration No. 002878S/S200021

**(Vasuki H S)**  
Partner  
Membership No. 212013

# MIVEN MACHINE TOOLS LIMITED

## **ANNEXURE-B REFERRED TO IN PARAGRAPH 2 (f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT TO THE MEMBERS MIVEN MACHINE TOOLS LIMITED, HUBLI**

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### **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 Miven Machine Tools Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and

perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3)

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provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may

become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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".

Place : Hubli  
Date : May 29, 2017

**For B.K.RAMADHYANI & CO. LLP**  
Chartered Accountants  
Firm Registration No. 002878S/S200021

**(Vasuki H S)**  
Partner  
Membership No. 212013

# MIVEN MACHINE TOOLS LIMITED

## BALANCE SHEET AS AT MARCH 31, 2017

Particulars	Note No.	As at March 31, 2017		As at March 31, 2016	
		Rs.	Rs.	Rs.	Rs.
<b>I. EQUITY AND LIABILITIES</b>					
(1) Shareholders' Funds					
(a) Share Capital	2	3,00,35,000		3,00,35,000	
(b) Reserves and Surplus	3	(17,69,33,034)	(14,68,98,034)	(15,07,96,642)	(12,07,61,642)
<b>(2) Non - current liabilities</b>					
(a) Long term borrowings	4	7,09,94,262		6,71,00,267	
(b) Long term provisions	6	23,05,829	7,33,00,091	22,80,175	6,93,80,442
<b>(3) Current Liabilities</b>					
(a) Short term borrowings	7	6,23,64,794		6,55,90,896	
(b) Trade payables	8				
i) To Micro, Small and Medium Enterprises		1,20,72,101		1,02,04,891	
ii) Others		2,14,58,354		2,33,99,664	
(c) Other current liabilities	9	4,14,96,365		3,05,70,278	
(d) Short term provisions	10	10,717	13,74,02,331	51,467	12,98,17,196
<b>TOTAL</b>			<b>6,38,04,388</b>		<b>7,84,35,996</b>
<b>ASSETS</b>					
<b>(1) Non - current assets</b>					
(a) Property, Plant and Equipment					
(i) Tangible assets	11	82,57,871		1,01,29,259	
(ii) Capital work in progress	12	83,165		-	
(b) Non - current investments	13	50,000		50,000	
(c) Long term loans and advances	14	23,68,269		20,58,472	
(d) Other non current assets	15	14,57,586		14,57,586	
			1,22,16,891		1,36,95,317
<b>(2) Current Assets</b>					
(a) Inventories	16	4,39,05,514		5,01,91,976	
(b) Trade receivables	17	15,04,618		34,83,338	
(c) Cash and Cash equivalent	18	37,20,547		20,16,079	
(d) Short term loans and advances	19	24,36,120		89,62,763	
(e) Other Current Assets	20	20,698	5,15,87,497	86,523	6,47,40,679
<b>TOTAL</b>			<b>6,38,04,388</b>		<b>7,84,35,996</b>
Significant accounting policies and notes forming part of the financial statements	1 to 39				

**In Accordance with our Report attached**

**B.K. Ramadhyani & Co. LLP**  
Chartered Accountants

FRNo. 002878S/S200021

Partner : **Vasuki H S**  
Membership No : 212013

**Hubli.**

**Date: May 29, 2017.**

**For and on behalf of the Board of Directors of  
Miven Machine Tools Limited**

**Vikram R Sirur**  
Chairman  
DIN: 00312980

**Jitendra B Divgi**  
Director  
DIN: 00471531

**Sanjay B Baljekar**  
Director  
DIN: 01999874

**S G Gadagkar**  
Chief Financial Officer

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## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

Particulars	Note No.	Current Year		Previous Year	
		Rs.	Rs.	Rs.	Rs.
I. Revenue from Operations	22		2,80,24,511		3,72,33,666
II Other Income	23		61,06,097		13,80,744
<b>III Total revenue (I + II)</b>			<b>3,41,30,608</b>		<b>3,86,14,410</b>
IV Expenses					
Cost of materials consumed	24	1,78,67,440		2,65,76,117	
Purchases of stock in trade					
Changes in inventories of finished goods, work in progress and stock in trade	25	1,06,79,882	2,85,47,322	6,09,835	2,71,85,952
Employee benefits expense	26		56,70,969		76,75,008
Finance Costs	27		1,61,02,524		1,53,06,030
Depreciation and amortization expense	28		15,75,763		17,23,949
Other expenses	29		83,70,422		1,21,95,538
<b>Total Expenses</b>			<b>6,02,67,000</b>		<b>6,40,86,477</b>
V Loss before tax (III-IV)			2,61,36,392		2,54,72,067
VI Tax expense:					
(1) Current tax (Prior year tax withdrawn)			-		-
(2) Deferred tax			-		-
			-		-
VII Loss for the year (V + VI)			<b>2,61,36,392</b>		<b>2,54,72,067</b>
VIII Loss per equity share:					
Basic and Diluted	31		8.70		8.48
Significant accounting policies and notes forming part of the financial statements	1to39				

In Accordance with our Report attached

**B.K. Ramadhyani & Co. LLP**

Chartered Accountants

FRNo. 002878S/S200021

Partner : **Vasuki H S**

Membership No : 212013

Hubli.

Date: **May 29, 2017.**

For and on behalf of the Board of Directors of  
**Miven Machine Tools Limited**

**Vikram R Sirur**  
Chairman  
DIN: 00312980

**Sanjay B Baljekar**  
Director  
DIN: 01999874

**Jitendra B Divgi**  
Director  
DIN: 00471531

**S G Gadagkar**  
Chief Financial Officer



# MIVEN MACHINE TOOLS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

Particulars	Current Year		Previous Year	
	Rs.	Rs.	Rs.	Rs.
Cash flows from operating activities				
Loss before taxation		(2,61,36,392)		(2,54,72,067)
Adjustments for:				
Depreciation and amortization expense	15,75,763		17,23,949	
Provisions	25,654		10,36,260	
Interest received	(1,16,233)		(93,554)	
Provisions no longer required written back	(28,90,456)		(9,00,000)	
Dividends received	(6,000)		(6,000)	
Finance costs	1,61,02,524	1,46,91,252	1,53,06,030	1,70,66,685
		<b>(1,14,45,140)</b>		<b>(84,05,382)</b>
(Increase)/ decrease in inventories	62,86,462		31,11,260	
(Increase)/ decrease in trade receivables	19,78,721		44,32,785	
(Increase)/ decrease in Loans & advances	61,37,695		(18,92,068)	
Increase/ (decrease) in trade payables & other liabilities	1,14,89,801		(2,45,73,245)	
		2,58,92,679		(1,89,21,268)
Income taxes paid		(38,400)		(4,734)
<b>Net cash from operating activities</b>		<b>1,44,85,939</b>		<b>(2,73,21,916)</b>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(93,664)		(17,600)	
(Increase)/decrease in margin money with banks	5,97,277		(7,42,712)	
Interest received	1,82,058		48,929	
Dividend received	6,000		6,000	
<b>Net cash from investing activities</b>		<b>6,91,671</b>		<b>(7,05,383)</b>
<b>Cash flows from financing activities</b>				
Increase/(Decrease) in short term borrowings	(32,26,102)		2,76,45,429	
Proceeds from long term borrowings	38,93,995		1,27,01,519	
Interest paid	(1,35,43,759)		(1,29,11,698)	
<b>Net cash from financing activities</b>		<b>(1,28,75,866)</b>		<b>2,74,35,250</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		23,01,745		(5,92,049)
<b>Cash and cash equivalents at beginning of year</b>		4,36,867		10,28,916
<b>Cash and cash equivalents at close of year</b>		<b>27,38,612</b>		<b>4,36,867</b>
<b>Reconciliation of Cash and Cash Equivalents</b>				
Cash and bank balances		37,20,547		20,16,079
Less: Margin money with banks		9,81,935		15,79,212
Cash and cash equivalents as reported		27,38,612		4,36,867

Note: The Cash Flow Statement is prepared as per the Indirect method

**In Accordance with our Report attached**

**B.K. Ramadhyani & Co. LLP**

Chartered Accountants

FRNo. 002878S/S200021

Partner : **Vasuki H S**

Membership No : 212013

**Hubli.**

**Date: May 29, 2017.**

**For and on behalf of the Board of Directors of  
Miven Machine Tools Limited**

**Vikram R Sirur**

Chairman

DIN: 00312980

**Jitendra B Divgi**

Director

DIN: 00471531

**Sanjay B Baljekar**

Director

DIN: 01999874

**S G Gadagkar**

Chief Financial Officer

# 32<sup>nd</sup> Annual Report 2016 - 2017

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

### SIGNIFICANT ACCOUNTING POLICIES:

#### a. ACCRUAL SYSTEM OF ACCOUNTING:

i) The company follows the accrual system of accounting in respect of all items of expenditure except warranty claim and income.

ii) Warranty claims from customers are accounted in the year of claim / settlement. Non-provision for the same on accrual basis is not expected to have a material effect on the account.

#### b. USE OF ESTIMATES:

The preparation of financial statements requires estimation and assumptions to be made that affect reported amount of assets and liabilities on the date of financial statements and reported amount of revenues and expenses during the reporting period. The management believes that the estimates used in preparation of financial statements are prudent and reasonable. Future results may vary from these estimates.

#### c. PROPERTY, PLANT AND EQUIPMENT:

Tangible assets are stated at cost of acquisition inclusive of freight, duties, taxes and incidental expenses relating to acquisition, installation, and erection and commissioning less depreciation. Subsequent expenditure related to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are recognized in the Statement of Profit & Loss while incurred.

Internally manufactured assets are valued at cost or estimated market price, whichever is lower.

##### Depreciation and amortization

Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets as specified under Schedule II of the Companies Act, 2013. Depreciation for assets purchased/sold during a period is proportionately charged.

#### d. INVENTORIES:

Raw materials, stores, spare parts and components are valued on the basis of Weighted Average Method after providing for obsolescence. Work-in-process is valued at cost. Finished goods are valued at cost or net realizable value whichever is lower. Cost for the purpose of Work in Process and finished goods include material cost valued as per weighted average

method and applicable conversion cost. As per Accounting Standard 2 excise duty on finished goods lying at works is also accounted and provided in the books of account. Materials in transit are valued at cost inclusive of Customs duty and other incidental expenses payable.

#### e. RESEARCH AND DEVELOPMENT EXPENDITURE:

Revenue expenditure in carrying out Research and Development activities is charged to statement of profit & loss of the year in which it is incurred.

#### f. REVENUE RECOGNITION :

i) Sales are recognised on shipment to customers after pre-inspection wherever applicable and include recovery towards excise duty.

ii) Interest income is recognized on time proportion basis.

iii) Dividend income is recognized, when the right to receive the dividend is established.

#### g. BORROWING COST :

Interest and other costs in connection with borrowing of funds to the extent related / attributed to the acquisition / construction of qualifying assets are capitalized up to the date when such assets are ready for their intended use and other borrowing costs are charged to profit and loss account.

#### h) FOREIGN CURRENCY TRANSLATION:

Transactions in foreign currency are accounted for at the exchange rate prevailing on the date of transactions. The exchange differences arising on their settlement are dealt with in the statement of profit and loss. All monetary items denominated in foreign currency are restated at the year-end exchange rate and the differences arising from such restatement are recognised in the statement of profit and loss.

#### i) EMPLOYEE BENEFITS:

##### (i) Short Term Employee Benefits:

Employee benefits payable wholly within twelve months of rendering the service are classified as short term. Benefits such as salaries, bonus, ex-gratia etc. are recognised in the period in which the employee renders the related service.

##### (ii) Post-Employment Benefits:

##### (a) Defined Contribution Plans:

The Company has contributed to Provident, Pension, EDLI & Superannuation Funds which are defined

# MIVEN MACHINE TOOLS LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

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contribution plans. The contributions paid/ payable under the scheme to the Regional Provident Fund Commissioner/Life Insurance Corporation of India is recognised during the year in which employee renders the related service.

### **(b) Defined Benefit Plans:**

Employees' gratuity is defined benefit plan. The present value of the obligation under such plan has been determined based on completed service at the end of the year as per actuarial valuation under projected unit credit method. Actuarial gain / losses are recognized in statement of profit and loss immediately. Leave encashment is a terminated benefit plan and is provided on accrual basis as per actuarial valuation.

### **c) Compensated Absences:**

Accumulated Compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Accumulated compensated absences, which are expected to be availed or encashed beyond twelve months from the end of the year are treated as other long term employee benefits. The company's liability is actuarially determined (using the Projected Unit Credit Method) at the end of each year. Actuarial losses/gains are recognized in the statement of Profit and Loss in the year in which they arise. Compensated absences is covered under Pension and Group schemes of the Life Insurance Corporation of India.

### **j) TAXES ON INCOME:**

Provision for current tax is made after considering any excess / short in earlier years. Deferred tax liability on account of timing differences are provided considering the tax rates and the tax laws enacted as at the Balance Sheet date. However, deferred tax assets are recognised only if future profits are virtually certain.

### **k) CONTINGENT LIABILITIES AND PROVISIONS:**

Financial effect of contingent liabilities is disclosed based on information available upto the dates on which financial statements are approved. However, where a reasonable estimate of financial effect cannot be made, suitable disclosures are made with regard to this fact and the existence and nature of the contingent liability.

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

### **l) IMPAIRMENT OF ASSETS:**

At each balance sheet date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the statement of profit & loss to the extent the carrying amount exceeds the recoverable amount.

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### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

#### 2. Share Capital:

Particulars	As at March 31, 2017		As at March 31, 2016	
	Number	Rs.	Number	Rs.
<b>Authorized:</b>				
Equity shares of Rs. 10/- each	50,00,000	5,00,00,000	50,00,000	5,00,00,000
		<b>5,00,00,000</b>		<b>5,00,00,000</b>
<b>Issued, subscribed and fully paid up:</b>				
Equity shares of Rs. 10/- each				
At the beginning of the year	30,03,500	3,00,35,000	30,03,500	3,00,35,000
At the close of the year	30,03,500	<b>3,00,35,000</b>	30,03,500	<b>3,00,35,000</b>

#### Other Information:

1. The Company has only one class of equity shares having a par value of Rs 10/- each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the equity shares held by the shareholder.

#### 2. EQUITY SHARES INCLUDE:

Shares held by the holding company N A Sirur (Hubli) Private Limited, Hubli, in aggregate **22,52,100** **2,25,21,000** **25,88,150** **2,58,81,500**

#### 3. Particulars of equity share holders holding more than 5% of the total number of equity share capital:

	No. of shares held	Percentage of holding	No. of shares held	Percentage of holding
N A Sirur (Hubli) Private Limited	<b>22,52,100</b>	<b>74.98%</b>	<b>25,88,150</b>	<b>86.17%</b>

#### 3. Reserves and Surplus :

Particulars	As at March 31, 2017	As at March 31, 2016
<b>i) Capital Reserve</b>		
As at the beginning of the year	15,27,500	15,27,500
As at the close of the year	<b>15,27,500</b>	<b>15,27,500</b>
<b>ii) Surplus (Deficit )i.e. balance in Statement of Profit &amp; Loss</b>		
As at the beginning of the year	(15,23,24,142)	(12,68,52,075)
Add:		
Loss for the year	(2,61,36,392)	(2,54,72,067)
As at the close of the year	<b>(17,84,60,534)</b>	<b>(15,23,24,142)</b>
<b>Total carried to Balance Sheet</b>	<b>(17,69,33,034)</b>	<b>(15,07,96,642)</b>

# MIVEN MACHINE TOOLS LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

### 4. Long term Borrowings

Particulars	As at March 31, 2017	As at March 31, 2016
<b>1) Security Deposit</b>		
a. Security deposit from director	1,00,000	1,00,000
	<b>1,00,000</b>	<b>1,00,000</b>
<b>2) Unsecured Loans:</b>		
a. Loans from related parties	7,08,94,262	6,70,00,267
	<b>7,08,94,262</b>	<b>6,70,00,267</b>
<b>3) Total carried to Balance Sheet (1+2)</b>	<b>7,09,94,262</b>	<b>6,71,00,267</b>
<b>5 Deferred tax Asset</b>		
i) Deferred tax asset:		
a) On account of Unabsorbed losses and depreciation under the Income Tax Act, 1961 (recognised to an extent of deferred tax liability, in the absence of virtual certainty)	<b>7,89,123</b>	<b>7,89,123</b>
ii) Deferred tax liability:		
a) On account of depreciation on fixed assets	7,89,123	7,89,123
Net Deferred tax (liability)/asset	-	-
<b>6 Long term Provisions</b>		
a) Provisions for Gratuity - Employees (Refer note 34)	19,63,283	18,23,466
b) Provisions for Gratuity - Directors	3,42,546	3,42,546
c) Provisions for Compensated absence	-	1,14,163
<b>Total carried to Balance Sheet</b>	<b>23,05,829</b>	<b>22,80,175</b>
<b>7 Short term Borrowings</b>		
<b>1) Secured Loans:</b>		
a) Bank Over Draft		
SVC OD A/c. No.109020950000184	3,83,64,804	4,09,58,562
SVC-OD A/c. No.109020950000185	1,52,05,277	1,55,55,844
	<b>5,35,70,081</b>	<b>5,65,14,406</b>
<b>2) Unsecured Loan</b>		
a) Loans repayable on demand		
- Working capital loan from National Small Industries Corporation-Belgaum	87,94,713	90,76,490
<b>Total carried to Balance Sheet(1+2)</b>	<b>6,23,64,794</b>	<b>6,55,90,896</b>

### Additional Information:

#### i) Details of security for secured loans

- a Working capital loans are secured against hypothecation of stocks, book debts and equitable mortgage of factory land and building. Further the loan is also secured against the property of the chairman of the Company and corporate guarantee of the holding Company.
- b Interest on secured loan carry an interest of 16% p.a.

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### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

#### ii) Other Details in relation to unsecured loan

- a Loan is obtained from The National Small Industries Corporation-Belgaum(NSIC). The said loan is availed only as an assistance for purchase of raw materials. The said loan is sanctioned against the bank guarantee provided by Canara Bank through The Shamrao Vittal Co-op Bank Ltd amounting to Rs 1 Crore.
- b The assistance will be repayable within a period of 90 days.
- c Borrowed funds from NSIC carries an annual rate of Interest of 12.5%.

Particulars	As at March 31, 2017	As at March 31, 2016
<b>8 Trade Payables</b>		
I) To Micro, Small and Medium Enterprises	1,20,72,101	1,02,04,891
ii) Others	2,14,58,354	2,33,99,664
<b>Total carried to Balance Sheet</b>	<b>3,35,30,455</b>	<b>3,36,04,555</b>

#### Additional Information:

The details of amounts outstanding to Micro, Small and Medium Enterprises under Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under:

Particulars	As at March 31, 2017	As at March 31, 2016
1 Principal amount due and remaining unpaid	<b>1,20,72,101</b>	<b>1,02,04,891</b>
2 Interest due on (1) above and the unpaid interest	39,26,511	37,13,367
3 Interest paid on all delayed payments under the MSMED Act	-	-
4 Payment made beyond the appointed day during the year	2,13,144	6,44,157
5 Interest due and payable for the period of delay other than (3) above	39,26,511	37,13,367
6 Interest accrued and remaining unpaid	39,26,511	37,13,367
7 the amount of further interest remaining due and payable even in the succeeding years	<b>39,26,511</b>	<b>37,13,367</b>

<b>9 Other current liabilities:</b>		
a) Interest accrued and due on borrowings	1,25,51,519	99,92,754
b) Advance from customers	95,02,934	82,74,751
c) Advance for sale of land	77,00,000	-
d) Other liabilities	1,13,77,298	1,08,18,291
e) Statutory remittances	3,64,614	14,84,482
<b>Total carried to Balance Sheet</b>	<b>4,14,96,365</b>	<b>3,05,70,278</b>

<b>10 Short term provisions:</b>		
a) Provision for Tax	10,717	51,467
<b>Total carried to Balance Sheet</b>	<b>10,717</b>	<b>51,467</b>

# MIVEN MACHINE TOOLS LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

### 11. Property plant and equipment: Tangible assets

Gross block	Free Hold Land(*)	Factory Buildings	Plant and Machinery	Furniture and Fittings	Office Equipments	Factory Equipments	Electrical Installations	Jigs and Fixtures	Computers and Printers	Vehicles	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at 01 April 2015	19,05,066	1,42,21,218	1,87,78,170	11,61,688	9,70,944	16,47,163	9,99,344	14,91,774	16,63,690	11,36,099	4,39,75,156
Additions	-	-	-	-	17,600	-	-	-	-	-	17,600
Deletions	-	-	-	-	-	-	-	-	-	8,82,649	8,82,649
Balance as at 31 March 2016	19,05,066	1,42,21,218	1,87,78,170	11,61,688	9,88,544	16,47,163	9,99,344	14,91,774	16,63,690	2,53,450	4,31,10,107
Additions	-	-	-	-	7,999	-	-	2,500	-	-	10,499
Deletions	-	-	3,06,123	-	-	-	-	-	-	-	3,06,123
Balance as at 31 March 2017	19,05,066	1,42,21,218	1,84,72,047	11,61,688	9,96,543	16,47,163	9,99,344	14,94,274	16,63,690	2,53,450	4,28,14,483
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-	-
Balance as at 01 April 2015	-	1,18,31,348	1,21,14,694	8,25,980	9,15,518	15,10,312	9,87,892	12,62,483	15,60,775	11,30,545	3,21,39,548
Depreciation charge for the year	-	4,73,508	9,89,755	1,22,653	22,931	18,227	1,355	29,651	60,316	5,553	17,23,949
Disposals	-	-	-	-	-	-	-	-	-	8,82,649	8,82,649
Balance as at 31 March 2016	-	1,23,04,857	1,31,04,449	9,48,633	9,38,449	15,28,539	9,89,247	12,92,134	16,21,091	2,53,449	3,29,80,848
Depreciation charge for the year	-	4,70,925	8,74,324	1,21,586	24,774	15,742	1,352	29,608	37,452	-	15,75,764
Disposals	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2017	-	1,27,75,782	1,39,78,773	10,70,219	9,63,223	15,44,281	9,90,599	13,21,742	16,58,543	2,53,449	3,45,56,612
Net block	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2016	19,05,066	19,16,361	56,73,721	2,13,055	50,095	1,18,624	10,097	1,99,640	42,599	1	1,01,29,259
Balance as at 31 March 2017	19,05,066	14,45,436	44,93,274	91,469	33,320	1,02,882	8,745	1,72,532	5,147	1	82,57,871

\* The sale deed of the said land is in the name of "Giddings and Lewis India Limited" the earlier name of the Company, to be changed in the name of the Company, which is in progress.

Particulars	As at March 31, 2017	As at March 31, 2016
<b>12. Capital work in progress:</b>		
i) Building under Construction	83,165	-
	<b>83,165</b>	<b>-</b>

### 13. Non Current Investments:

Details of Investments	Name of the Company	As at March 31, 2017			As at March 31, 2016		
		No of Shares	Face Value	Rs.	No of Shares	Face Value	Rs.
<b>a) Investments in Equity Instruments:</b>							
i) Others (Trade, Unquoted) Equity shares fully paid up	SVC Co-operative Bank Ltd	2,000	25	50,000	2,000	25	50,000
	<b>Total carried to Balance Sheet</b>			<b>50,000</b>			<b>50,000</b>
<b>Additional Information:</b>							
1) Aggregate value of unquoted investments: <b>Cost</b>				<b>50,000</b>			<b>50,000</b>

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### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Particulars	As at March 31, 2017	As at March 31, 2016
<b>14 Long term loans and advances:</b> (Unsecured and considered good)		
i) Security Deposits	3,38,240	3,38,240
ii) Input VAT receivable	16,38,311	12,49,363
iii) Advance payment of tax	25,880	1,05,031
iv) Disputed Taxes Paid	3,65,838	3,65,838
<b>Total carried to Balance Sheet</b>	<b>23,68,269</b>	<b>20,58,472</b>
<b>15 Other Non-Current Assets :</b> (Unsecured and considered good)		
i) Long term trade receivables -(Kusalava International Ltd)	14,57,586	14,57,586
<b>Total carried to Balance Sheet</b>	<b>14,57,586</b>	<b>14,57,586</b>
<b>16 Inventories :</b>		
i) Raw materials	2,52,75,531	2,05,59,988
ii) Work in progress	1,68,85,892	2,75,65,774
iii) Stores and spares	17,44,091	19,23,532
iv) Material in Transit	-	1,42,682
<b>Total carried to Balance Sheet</b>	<b>4,39,05,514</b>	<b>5,01,91,976</b>
<b>17 Trade receivables</b> (Unsecured and considered good)		
i) Trade receivables exceeding six months from the due date of payment	11,70,514	30,85,140
ii) Others	3,34,104	8,48,198
Less: Allowance for doubtful debts exceeding six months	-	4,50,000
<b>Total carried to Balance Sheet</b>	<b>15,04,618</b>	<b>34,83,338</b>
<b>18 Cash and bank balances:</b>		
<b>A Cash and cash equivalents</b>		
i) Balances with banks - in other accounts	27,28,569	4,07,410
ii) Cash on hand	10,043	29,457
	<b>27,38,612</b>	<b>4,36,867</b>
<b>B Other bank balances:</b>		
i) - in margin money, security for borrowings, guarantees and other commitments	9,81,935	15,79,212
	<b>9,81,935</b>	<b>15,79,212</b>
<b>Total carried to Balance Sheet</b>	<b>37,20,547</b>	<b>20,16,079</b>



# MIVEN MACHINE TOOLS LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Details of Specified Bank notes(SBN) held and transacted during the period from 8.11.2016-30.12.2016 as provided in the table below :

Particulars	SBN's	Other Denomination notes	Total
Closing cash on hand on 8.11.2016	11,13,500	1,59,158	12,72,658
Add:Withdrawal from banks	-	-	-
Add:Permitted Receipts	-	2,01,669	2,01,669
Less:Permitted Payments	-	(1,11,354)	(1,11,354)
Less:Amount Deposited in banks	(11,13,500)	-	(11,13,500)
<b>Closing cash on hand on 30.12.2016</b>	<b>-</b>	<b>2,49,473</b>	<b>2,49,473</b>

Particulars	As at March 31, 2017	As at March 31, 2016
<b>19 Short term loans and advances:</b>		
a) Balance with central excise	1,01,315	2,70,935
b) Service Tax	72,389	38,626
c) Prepaid Expenses	6,37,320	6,39,894
d) Advance to Suppliers	19,28,852	82,63,876
e) Other employee advances	3,96,067	4,49,255
Less:- Provision for doubtful advances	(6,99,823)	(6,99,823)
<b>Total carried to Balance Sheet</b>	<b>24,36,120</b>	<b>89,62,763</b>
<b>The above is classified as follows:</b>		
a) Secured, considered good;	-	-
b) Unsecured, considered good;	17,36,297	82,62,940
c) Doubtful;	6,99,823	6,99,823
<b>Total</b>	<b>24,36,120</b>	<b>89,62,763</b>
<b>20 Other Current Assets</b>		
a) Accrued Interest	20,698	86,523
<b>Total carried to Balance Sheet</b>	<b>20,698</b>	<b>86,523</b>

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### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Particulars	As at March 31, 2017	As at March 31, 2016
<b>21 Contingent liabilities and Commitments:</b> (to the extent not provided for)		
Contingent Liabilities:		
i) Counter guarantees given to the bankers for guarantees given by them on behalf of the Company.	1,50,36,008	2,01,65,023
ii) Claim by former employees/ casual workers pending before courts.	84,311	84,311
iii) The Company has considered an amount of Rs.1,457,586 due from a customer as good of recovery in respect of which the customer has made a counter claim of Rs 7,348,629. However, the said counter claim has been dismissed by Additional District Judge, Vijaywada. The customer has moved to High Court of Telangana and Andhra Pradesh. The Company has been advised by its legal counsel that the counter claim of the party is not sustainable in law. The Company is in discussion with legal counsel for initiating action for recovering all the dues. The Company is confident of recovering the dues and that the claim of the customer will not stand.	73,48,629	73,48,629
iv) a) Liability in respect of pending sales tax and entry tax assessments	Not ascertainable	Not ascertainable
b) Disputed Sales Tax liability ,penalty and interest in respect of financial year 2005-06	1,79,157	1,79,157

v) The Company's premises is located at Tarihal Industrial Area, Tarihal, Hubli, which was earlier covered under the jurisdiction of Rainal Mandal Panchayat. Subsequently, Rainal Mandal Panchayat was merged with Hubli Dharwad Municipal Corporation (H D M C), Hubli. Since KIADB had not fully developed this Industrial Estate, it has not handed over the same to H D M C. As such, they were collecting annual maintenance charges. The Company has been regular in making the payment of annual maintenance charges to KIADB till 2007-08. Subsequently, KIADB has also made claims for maintenance charges and interest totally amounting to Rs.2,94,420/- including for prior years which has been disputed by the Company. Further H D M C has claimed Rs.3,25,69,250/- (Rs.2,77,03,034/-) towards tax including penalty of Rs.2,44,21,371/- (Rs.1,94,16,098/-) for the period from 1995 to 2016. However, for the year under report, property tax of Rs. 1,10,640/- (Rs.1,10,269/-) has been paid. The matter relating to the payment of property tax for the years prior to 2008-09 is disputed through the Greater Hubli – Dharwad Industries Association and the matter was pending before Government of Karnataka. Further the Company is in the process of filing petition before the jurisdictional court through Greater Hubli Dharwad Association. The Company is confident that the claim relating to prior years will be withdrawn and will not be payable. Consequently, no provision has been made for the said demand. However and as a matter of abundant precaution, tax amount based on past demands of the Mandal Panchayat which has been provided in prior years to an extent of Rs.3,17,972/- (Rs.3,17,972/-) though not paid is retained in the books of account.

vi) Income Tax Demands/ defaults on account of Tax deducted at source amounting to Rs 4,27,077 /- as on 31st March 2017.

The management believes, based on internal assessment and/or legal advice, that the probability of an ultimate adverse decision and outflow of resources of the Company is not probable and accordingly, no provision for the same is considered necessary.

# MIVEN MACHINE TOOLS LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Particulars	Current Year Rs.	Previous year Rs.
<b>22 Revenue from operations:</b>		
<b>i) Sale of products:</b>		
CNC Turning Machines	1,84,50,000	3,25,95,890
Spare Parts	1,14,14,884	58,75,566
<b>Total</b>	<b>2,98,64,884</b>	<b>3,84,71,456</b>
<b>ii) Sale of services</b>	<b>15,66,947</b>	<b>18,90,164</b>
	<b>3,14,31,831</b>	<b>4,03,61,620</b>
Less:- Excise duty	34,07,320	31,27,954
<b>Total Carried to Statement of Profit &amp; Loss</b>	<b>2,80,24,511</b>	<b>3,72,33,666</b>
<b>23 Other Income:</b>		
i) Interest income	1,16,233	93,554
ii) Dividend Income		
- from long term investments	6,000	6,000
iii) Provision no longer required	28,90,456	-
iv) Other non operating income (net of expenses directly attributable to such income)	30,93,408	3,81,190
v) Unclaimed credit Balance Written back	-	9,00,000
<b>Total Carried to Statement of Profit &amp; Loss</b>	<b>61,06,097</b>	<b>13,80,744</b>
<b>24 Cost of materials consumed:</b>		
a) i) Consumption of raw materials	1,65,77,952	2,18,57,327
ii) Consumption of stores and spare parts	3,04,760	11,35,849
iii) Manufacturing Expenses	9,84,728	35,82,941
<b>Total Carried to Statement of Profit &amp; Loss</b>	<b>1,78,67,440</b>	<b>2,65,76,117</b>
<b>b) Consumption of major raw materials</b>		
i) CNC package with drives and motors	42,57,000	45,98,100
ii) Base	7,07,042	21,84,225
iii) Way Block	10,58,349	18,88,119
iv) Others	1,18,45,049	1,79,05,673
<b>25 Changes in inventories of finished goods, work in progress and stock in trade:</b>		
Stocks at the end of the year		
i) Work in progress		
CNC Turning Machines	1,38,10,984	2,07,78,726
Indigenous Components	52,74,908	67,87,048
<b>Total</b>	<b>1,90,85,892</b>	<b>2,75,65,774</b>
Less:- Provision for Net reliazation value on cancellation of orders	22,00,000	-
<b>Total</b>	<b>1,68,85,892</b>	<b>2,75,65,774</b>
Less:		
Stocks at the beginning of the year		
i) Work in progress		
CNC Turning Machines	2,07,78,726	2,18,72,619
Indigenous Components	67,87,048	63,02,990
<b>Total</b>	<b>2,75,65,774</b>	<b>2,81,75,609</b>
<b>Total Carried to Statement of Profit &amp; Loss</b>	<b>1,06,79,882</b>	<b>6,09,835</b>

## 32<sup>nd</sup> Annual Report 2016 - 2017

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Particulars	Current Year Rs.	Previous year Rs.
<b>26 Employee Benefit Expenses:</b>		
i) Salaries and wages	46,91,786	56,29,240
ii) Contribution to provident and other funds	8,54,649	16,94,725
iv) Remuneration to whole time directors	-	1,42,334
iv) Staff welfare expenses	1,24,534	2,08,709
<b>Total Carried to Statement of Profit &amp; Loss</b>	<b>56,70,969</b>	<b>76,75,008</b>
<b>27 Finance Costs:</b>		
i) Interest expense	1,52,67,229	1,46,95,949
ii) Other borrowing costs	8,35,295	6,10,081
<b>Total Carried to Statement of Profit &amp; Loss</b>	<b>1,61,02,524</b>	<b>1,53,06,030</b>
<b>28 Depreciation and amortization:</b>		
i) Depreciation	15,75,763	17,23,949
<b>Total Carried to Statement of Profit &amp; Loss</b>	<b>15,75,763</b>	<b>17,23,949</b>
<b>29 Other expenses:</b>		
i) Power and fuel	8,36,660	8,99,860
ii) Repairs to buildings	3,97,630	2,69,425
iii) Insurance	56,970	1,07,840
iv) Rates and taxes	9,01,446	18,05,623
v) Payment to the auditors		
- as auditor	1,00,000	1,00,000
- for taxation matters	50,000	50,000
- for other services	65,975	62,000
- for reimbursement of expenses	16,045	12,861
vi) Selling expenses	1,33,206	3,00,468
vii) Legal and professional charges	4,98,787	13,84,181
viii) Directors sitting fees	22,500	50,000
ix) Miscellaneous expenses	78,177	2,16,010
x) Freight Inward	2,57,276	3,39,250
xi) Traveling Expenses	10,13,927	20,02,972
xii) Security Expense	12,80,970	13,38,788
xiii) Vehicle Maintenance	4,087	49,553
xiv) Vehicle Hire charges	11,187	8,870
xv) Printing and Stationery	1,42,277	4,48,633
xvi) Communication Charges	4,31,940	3,51,217
xvii) Estate Maintainance	8,100	2,18,720
xviii) Membership & Subscription	18,036	57,144
xix) Advertisement	1,01,673	1,92,198
xx) Liquidated Damages	7,77,658	5,53,166
xxi) Bad Debts Written off	16,15,895	
Less: Provision for doubtful debts withdrawn	<u>4,50,000</u>	
xxii) Provision for Doubtful Debts	-	4,50,000
xxiii) Provision for Doubtful advances	-	6,99,823
<b>Total Carried to Statement of Profit &amp; Loss</b>	<b>83,70,422</b>	<b>1,21,95,538</b>

# MIVEN MACHINE TOOLS LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

### 30 Additional Information:

	<b>Current Year</b>	<b>Previous Year</b>
a) Value of Imports calculated on CIF basis: Components and spare parts	<b>35,60,612</b>	<b>16,01,462</b>

		<b>Current Year</b>		<b>Previous Year</b>		
b)	<b>SI No</b>	<b>Particulars</b>	<b>Amount</b>	<b>% to total</b>	<b>Amount</b>	<b>% to total</b>
	i)	Value of imported raw materials, spare parts and components consumed	34,59,515	<b>19.36%</b>	19,70,557	<b>7.41%</b>
	ii)	Value of indigenous raw materials, spare parts and components consumed	1,44,07,925	<b>80.64%</b>	2,46,05,560	<b>92.59%</b>
			<b>1,78,67,440</b>	<b>100%</b>	<b>2,65,76,117</b>	<b>100%</b>

### 31. Loss per share : (Basic & Diluted)

Particulars	Current Year Rs.	Previous year Rs.
Loss for the year after tax expense	2,61,36,392	2,54,72,067
Weighted average number of equity shares	30,03,500	30,03,500
<b>Loss per share</b>	<b>8.70</b>	<b>8.48</b>

32 Considering the business plans made by the Company, orders on hand, reorganisation 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 renewal of bank working capital limits and the company's decision to sell surplus land duly approved by the shareholders to augment the working capital requirements and reduce debts, the assumptions of 'Going Concern' is not vitiated even though the net worth is eroded.

33 Confirmation of balances from certain customers and suppliers have been called for and awaited. The company does not expect any material variation in respect of these accounts.

### 34 Disclosures as per Accounting Standard 15 "Employee Benefits":

#### Defined Contribution Plan:

Contribution to defined contribution plan are recognized as expense for the year are as under:

Particulars	Current Year Rs.	Previous year Rs.
Employer's contribution to provident & pension funds	4,73,324	5,58,538
Employer's contribution to superannuation fund	Nil	Nil

# 32<sup>nd</sup> Annual Report 2016 - 2017

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

### Defined Benefit Plan:

The employees' gratuity fund scheme managed by a trust is a defined benefit plan. The Present value of obligation is determined based on actuarial valuation using the projected unit credit method.

<b>1. Reconciliation of opening and closing balances of defined benefit obligation:</b>		
<b>Particular</b>	<b>Gratuity (funded) (Rs.)</b>	
	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
Defined Benefit obligation at beginning of the year	27,25,338	20,82,594
Current Service Cost	1,77,069	1,88,632
Interest Cost	2,23,010	1,78,003
Actuarial (gain)/ loss	(1,76,406)	7,63,047
Benefits Paid	(57,715)	(4,86,938)
Defined Benefit obligation at end of the year	28,91,296	27,25,338
<b>2. Reconciliation of opening and closing balance of fair value of plan assets:</b>		
Fair value of plan assets at beginning of the year	9,01,872	11,23,805
Expected return on plan assets	88,685	1,07,328
Employer Contribution	25,000	1,74,855
Benefits paid	(57,715)	(4,86,938)
Actuarial gain/(loss)	(29,829)	(17,178)
Fair value of plan assets at year end	9,28,013	9,01,872
<b>3. Reconciliation of fair value of assets and obligations:</b>		
	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
Fair value of plan assets	9,28,013	9,01,872
Present value of obligation	28,91,296	27,25,338
Amount recognized in Balance Sheet under liabilities:	19,63,283	18,23,466

# MIVEN MACHINE TOOLS LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

<b>4. Expense recognized during the year:</b> (under "Note 25" Employee Benefit Expenses" in the Statement of Profit and Loss account)	<b>Current Year</b>	<b>Previous Year</b>
Current Service Cost	1,77,069	1,88,632
Interest Cost	2,23,010	1,78,003
Expected return on plan assets	88,685	(1,07,328)
Actuarial (gain)/ loss	(1,46,577)	7,80,225
Net Cost	1,64,817	10,39,532
<b>5. Actuarial assumptions:</b>		
Mortality Table (Indian Assured Lives)	<b>2006-08 (Ultimate)</b>	<b>2006-08 (Ultimate)</b>
Discount rate (per annum)	<b>7.1%</b>	<b>7.8%</b>
Expected rate of return on plan assets (per annum)	<b>7.5%</b>	<b>8%</b>
Rate of escalation in salary (per annum)	<b>6%</b>	<b>6%</b>

### Experience Adjustments

	Period Ended				
	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Defined Benefit Obligation	28,91,296	27,25,338	20,82,594	17,48,203	20,25,370
Plan Asset	9,28,013	9,01,872	11,23,805	8,30,171	8,42,773
Surplus/ (Deficit)	(19,63,283)	(18,23,466)	(9,58,789)	(9,18,032)	(11,82,597)
Experience Adjustment on Plan Liability	(3,31,080)	7,34,906	(62,750)	(86,722)	2,51,631
Experience Adjustment on Plan Assets	(29,829)	(17,178)	(4,551)	1,27,211	20,382

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the actuary.

**35.** The Company has only one business segment viz., Metal Cutting including grinding machines. All sales are in India. Hence the disclosures required under Accounting Standard – 17 (Segment Reporting) is not applicable.

## 32<sup>nd</sup> Annual Report 2016 - 2017

### 36. Related Party Transaction:

A.	Sl. No.	Name of the Related Party	Nature of Relationship
	1	Mr. Vikram R Sirur	Key Management persons and their relatives
		Mr.A R Menon*	
		Mr.V N Hasalkar#	
		Mrs. Alka Sirur	
		Mr. Sandeep Sirur	
		Mrs. Maithili Sirur	
		Ms. Neelima	
		Ms. Sheetal Amarnath Savur	
		Mr. S G Gadagkar	
	2	N A Sirur (Hubli) Private Limited	Holding Company
	3	Miven Mayfran Conveyors Private Limited	Enterprises in which Key Management personnel and their relatives are able to exercise significant influence
		Ruris Tecnal Extraction Systems Private Limited	
		Divigi Transmission Systems and Technologies Private Limited	
		Precomp Tools Private Limited	
		Cotmac Electronics Private Limited-Pune	
		Pratt Automation Pvt Ltd	

(\* Mr.A.R.Menon has held the position as director in the company upto December 22, 2015

(# V N Hasalkar has held the position as company secretary in the company upto November 24, 2015)



# MIVEN MACHINE TOOLS LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

B.	(Amount in Rupees)			
Details of Transactions:	Nature of Transactions	Key Management Persons and their relatives	Holding Company	Enterprises in which Key Management personnel and their relatives are able to exercise significant influence
	<b>Remuneration paid to Key Managerial Persons</b>			
	Mr. Vikram R Sirur	Nil (Nil)	Nil Nil	Nil Nil
	Mr.A R Menon	Nil (154,834)	Nil Nil	Nil Nil
	Mr.V N Hasalkar	Nil (1,01,400)	Nil Nil	Nil Nil
	Mr. S.G Gadagkar	<b>3,25,760</b> (3,14,160)	Nil Nil	Nil Nil"
	<b>Interest on Inter corporate Deposits:</b>			
	NA Sirur (Hubli) Private Limited	Nil	<b>10,56,188</b> (8,15,332)	Nil
	Ruris Tecnal Extraction Systems Pvt Ltd	Nil	Nil	<b>15,65,001</b> (15,69,288)
	Precomp Tools Private Limited	Nil	Nil	<b>2,21,882</b> (2,75,753)
	Miven Mayfran Conveyors Private Limited	Nil	Nil	<b>17,99,612</b> (17,46,415)
	<b>Unsecured Loans received during the year</b>			
	Mr. Vikram R Sirur	<b>60,93,995</b> (1,03,29,746)	Nil	Nil
	<b>Inter corporate Deposits repaid during the year :</b>			
	Precomp Tools Private Limited	Nil	Nil	<b>22,50,000</b> (25,00,000)

## 32<sup>nd</sup> Annual Report 2016 - 2017

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

	Nature of Transactions	Key Management Persons and their relatives	Holding Company	Enterprises in which Key Management personnel and their relatives are able to exercise significant influence
	<b>Purchases made during the year from the related parties:</b>			
	Miven Mayfran Conveyors Private Limited	Nil	Nil	2,34,440 (22,81,556)
	<b>Sales made during the year from the related parties:</b>			
	Miven Mayfran Conveyors Private Limited	Nil	Nil	<b>1,62,077</b> (13,53,736)
	Divgi Transmission Systems and Technologies Private Limited	Nil	Nil	31,292 (13,760)
	Pratt Automation Pvt Ltd	Nil	Nil	48,260 (29,196)
	<b>Amount due from Company as at the end of the Year</b>			
	Inter Corporate Deposit –NASPL (ICD)	Nil	93,58,841 (93,08,841)	Nil
	ICD from Ruris Tecnal Extraction Systems Pvt Ltd	Nil	Nil	1,76,50,000 (1,76,50,000)
	ICD from Miven Mayfran Conveyors Private Limited	Nil	Nil	2,24,95,128 (2,24,95,128)
	ICD from Precomp Tools Private Limited	Nil	Nil	2,50,000 (25,00,000)
	Security Deposit from Vrinda Mantri	1,00,000 (1,00,000)	Nil	Nil
	Unsecured Loan from Vikram Sirur	2,11,40,293 (1,50,46,298)	Nil	Nil

# MIVEN MACHINE TOOLS LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

	Nature of Transactions	Key Management Persons and their relatives	Holding Company	Enterprises in which Key Management personnel and their relatives are able to exercise significant influence
	Amount payable to Miven Mayfran Conveyors Private Limited	Nil	Nil	<b>79,92,469</b> (77,58,029)
	Interest payable- Ruris Tecnal Extraction Systems Pvt Ltd	Nil	Nil	<b>57,14,087</b> (43,05,587)
	Interest payable- Precomp Tools Private Limited	Nil	Nil	<b>10,14,452</b> (8,14,759)
	Interest payable NA Sirur (Hubli) Private Limited	Nil	<b>58,22,980</b> (48,72,408)	Nil
	Interest payable - Miven Mayfran Conveyors Private Limited	Nil	Nil	<b>31,91,428</b> (15,71,773)
	Guarantees given on behalf of the Company and outstanding at the end of the year by Vikram Sirur and holding Company	<b>53,570,081</b> (56,514,406)	<b>53,570,081</b> (56,514,406)	Nil

37. During the year, the Company has made provision towards compensated absences of the employees and Directors' gratuity, the details are as under :

Particulars	Leave Encashment	Gratuity to directors
Carrying amount at the beginning of the year	<b>1,14,163</b> (3,92,580)	<b>3,42,546</b> (3,42,546)
Provision made during the year	<b>Nil</b> (Nil)	<b>Nil</b> (Nil)
Provision Withdrawn during the year	<b>1,14,163</b> (1,61,685)	<b>Nil</b> (Nil)
Amount utilized during the year	<b>Nil</b> (1,16,732)	<b>Nil</b> Nil
Carrying amount at the end of the year	<b>Nil</b> (1,14,163)	<b>3,42,546</b> (3,42,546)

# 32<sup>nd</sup> Annual Report 2016 - 2017

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

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38. The Company did not enter into any long-term contracts and confirm that there are no material foreseeable losses to be recognised under applicable laws or accounting standards in the financial statements.
39. Previous year's figures have been regrouped wherever required in conformity with the presentation for the current year.

### In Accordance with our Report attached

#### **B.K. Ramadhyani & Co. LLP**

Chartered Accountants

FRNo. 002878S/S200021

Partner : **Vasuki H S**

Membership No : 212013

**Hubli.**

**Date: May 29, 2017.**

### For and on behalf of the Board of Directors of **Miven Machine Tools Limited**

**Vikram R Sirur**

Chairman

DIN: 00312980

**Sanjay B Baljekar**

Director

DIN: 01999874

**Jitendra B Divgi**

Director

DIN: 00471531

**S G Gadagkar**

Chief Financial Officer

## PROXY FORM - MGT-11

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Company : **MIVEN MACHINE TOOLS LIMITED**  
(CIN No. L29220KA1985PLC007036)

Registered Office : Tarihal Industrial Area, Tarihal, Hubli 580 026 (Karnataka)

Name of the Member (s) : \_\_\_\_\_

Registered address: \_\_\_\_\_

E-mail Id:..... DP ID No.\* ..... Client ID No.\* .....

I / We, being the member(s) of \_\_\_\_\_ Equity Shares of Miven Machine Tools hereby appoint:

1. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_

Signature : \_\_\_\_\_ or failing him / her \_\_\_\_\_

2. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_

Signature : \_\_\_\_\_ or failing him / her \_\_\_\_\_

3. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_

Signature : \_\_\_\_\_ or failing him / her \_\_\_\_\_

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the **32nd Annual General Meeting of the Company, to be held on September 29, 2017 at 11 AM** at the registered office at Tarihal Industrial Area, Tarihal, Hubli 580 026(Karnataka) and at any adjournment thereof, in respect of such resolutions set out in the Notice convening the meeting as are indicated below:



**List of Resolutions:**

Resn. No.	Resolutions	Optional**		
		For	Against	Abstain
1	Adoption of Audited Financial Statements of the Company for the Financial Year ended 31st March 2017 together with the Directors' Report and Auditors' Report thereon.			
2	Appointment of Mrs Vrinda Mantri , a Director who retires by rotation and being eligible, offers herself is eligible for reappointment.			
3	Appointment of M/s. Rao Associates, Chartered Accountant, (Firm Registration No. 003080S) as the Statutory Auditors of the Company for a period of 5 years and to authorize the Board to fix their remuneration.			
4	To appoint Mr. Vikram Sirur as the Managing Director of the company for a period of 3 years with effect from April 20, 2017.			
5	Re-Appointment of Mr. Sanjay B. Baljekar as the Independent Director of the Company for a period of 5 years .			
6	Re-Appointment of Mr. Jitendra B. Divgi as the Independent Director of the Company for a period of 5 years.			

**Affix  
Re. 1  
Revenue  
Stamp**

Signed this day of \_\_\_\_\_ 2017                      Signature of Shareholder (s)                      Signature of Proxy Holder (s)

\*Applicable for member holding shares in electronic form

**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For detailed resolutions and explanatory statement, please refer to the notice of 32nd Annual General Meeting of the Company.
3. \*\*It is optional to put an 'X' in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of member(s) in above box before submission.





## MIVEN MACHINE TOOLS LIMITED

Registered Office: Tarihal Industrial Area, Tarihal,

HUBLI - 580 026 (Karnataka)

CIN: L29220KA1985PLC007036

Tel.No.0836-2212221-24; Email: mmtsecretarial@gmail.com www.mivenmachinetools.in

### ATTENDANCE SLIP

Members attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the 32<sup>nd</sup> **Annual General Meeting** of the Company held on September 29, 2017 at 11.00 AM at the **registered office at Tarihal Industrial Area, Tarihal, Hubli - 580 026.**

Full name of the Member (in block letters) \_\_\_\_\_

Signature

Folio No : \_\_\_\_\_

DP ID No.\* \_\_\_\_\_

Client ID No.\* \_\_\_\_\_

No. of Shares: \_\_\_\_\_

\*Applicable for member holding shares in electronic form

Full name of the Proxy (in block letters) \_\_\_\_\_

Signature





Google

Miven Machine Tools Limited

Miven Machine Tools Tharihal



**Miven Machine Tools  
Limited**

Tarihal Industrial Area  
Hubli, Karnataka 580026

[mivenmachinetools.in](http://mivenmachinetools.in)

0836 221 2221

Tool Store

Business listings provided by Indiacom Yellow Pages

Map data ©2015 Google

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