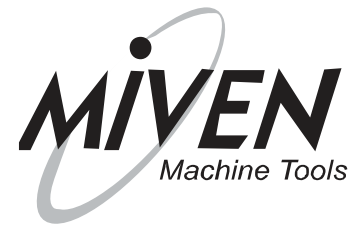


29th ANNUAL REPORT 2013 - 2014



MIVEN MACHINE TOOLS LIMITED

MIVEN MACHINE TOOLS LIMITED

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BOARD OF DIRECTORS	:	VIKRAM R. SIRUR - Executive Chairman SHYAM M. SIRUR SANJAY B. BALJEKAR JITENDRA B. DIVGI A.R.MENON – Executive Director
COMPANY SECRETARY	:	V.N. HASALKAR
AUDITORS	:	B.K. RAMADHYANI & CO Chartered Accountants, Bangalore
BANKERS	:	THE SHAMRAO VITHAL CO-OP. BANK LTD., HUBLI
REGISTERED OFFICE & WORKS	:	Tarihal Industrial Area Tarihal, HUBLI – 580 026 Karnataka. India

MIVEN MACHINE TOOLS LIMITED

Registered Office : Tarihal Industrial Area, Tarihal, HUBLI - 580 026 (Karnataka)
CIN: L29220KA1985PLC007036

NOTICE

13th August, 2014

NOTICE is hereby given that the TWENTY NINTH Annual General Meeting of the members of MIVEN MACHINE TOOLS LTD., will be held at the Registered Office of the Company at Tarihal Industrial Area, Tarihal, Hubli - 580 026(Karnataka) on Saturday the 27th day of September, 2014 at 3.30 PM to transact the following business:

AS ORDINARY BUSINESS :

1. To consider and adopt the Audited Annual accounts for the year ended March 31, 2014 and the reports of the Board of Directors and the Auditors thereon and in this connection, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT the Audited Balance Sheet as at 31st March, 2014, 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 Mr. Vikram R. Sirur who retires by rotation and being eligible offers himself for re-appointment and in this connection, to consider and if thought fit, to pass the following resolution as an ordinary resolution:

"RESOLVED THAT Mr. Vikram R. Sirur (DIN 00312980), Director, who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

3. To appoint a Director in place of Mr. Shyam M. Sirur who retires by rotation and being eligible offers himself for re-appointment and in this connection, to consider and if thought fit, to pass the following resolution as an ordinary resolution:

"RESOLVED THAT Mr. Shyam M. Sirur (DIN 00134226), Director, who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

4. To appoint M/s. B.K. Ramadhyani & Co, as Auditors of the Company and in this connection, to consider and if thought fit, to pass the following resolution as an ordinary resolution:

"RESOLVED that pursuant to the provisions of Section 139 and any other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, M/s. B.K. Ramadhyani & Co, Chartered Accountants,(Firm Registration No. 002878S) be and are hereby reappointed as

Auditors of the Company, to hold office from the conclusion of this Annual General Meeting(AGM) until the conclusion of the Thirtieth AGM and that the Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors."

AS SPECIAL BUSINESS:

5. To re-appoint Mr. A.R. Menon as Executive Director and in this connection, to consider and if thought fit, to pass the following resolution as a Special Resolution:

" RESOLVED THAT subject to the provisions of Sections 196,197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and with the recommendation of the Nomination and Remuneration Committee, Mr. A R Menon (DIN 01273473) be and is hereby re-appointed as Executive Director for a period of 3 years with effect from 27-06-2014 to 26-06-2017, on the existing terms and conditions as contained in detail in the explanatory statement annexed to this notice with liberty to the Board to vary the terms and conditions during the period of re-appointment within the limits as provided under Schedule V of the Companies Act, 2013."

6. To approve the borrowing powers of the Board and in this connection, to consider and if thought fit, to pass the following resolution as Special Resolution:

"RESOLVED THAT in supersession of the ordinary resolution passed at the Extraordinary General Meeting held on 24th June, 1986 under section 293(1)(d) of the Companies Act, 1956 and pursuant to the provisions of section 180(1)(c) of the Companies Act 2013 and all other applicable provisions if any and in terms of Articles of Association of the Company, the Company hereby accords its consent to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute for this purpose) of the Company, for borrowing any sum or sums of money from time to time from any one or more Company's bankers and /or from any one or more persons, firms, bodies corporate, financial institutions, or other acceptable source whether by way of advances, deposits, loans, non-convertible debentures, bonds or otherwise (whether unsecured or secured) notwithstanding

NOTICE (Cont...)

that the moneys to be borrowed together with moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) will or may exceed the aggregate paid-up capital of the Company and its free reserves, so however, that the total amount up to which the moneys may be borrowed by the Board of Directors and outstanding shall not exceed the sum of `Rupees 20 Crores (Rupees Twenty Crores only) at any time."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds and things as it may in its absolute discretion deem fit, necessary and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary or expedient to give effect to this resolution."

7. To appoint Mr. Sanjay B. Baljekar as an Independent Director and in this connection, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the

rules made thereunder(including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Sanjay B. Baljekar(DIN 01999874), a Director of the Company, be and is hereby appointed as an Independent Director of the Company for three years from the conclusion of this AGM to the conclusion of the Thirty Second AGM, not liable to retire by rotation."

8. To appoint Mr. Jitendra B. Divgi as an Independent Director and in this connection, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder(including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Jitendra B. Divgi (DIN 00471531), a Director of the Company, be and is hereby appointed as an Independent Director of the Company for three years from the conclusion of this AGM to the conclusion of the Thirty Second AGM, not liable to retire by rotation."

Pune

Dated 13th August, 2014

E-mail : mmtsecretarial@gmail.com.

website : www.mivenmachinetools.in

Tel. No : 0836-2212221-24 Fax No : 0836-2310411

By Order of the Board

For **MIVEN MACHINE TOOLS LTD**

V.N.HASALKAR

Company Secretary

29th ANNUAL REPORT 2013 - 2014

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend the meeting and such proxy need not be a member. Duly filled in and signed proxy form(s) in order to be effective, shall be lodged at the Registered Office of the company not less than 48 hours before the commencement of the meeting.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. 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.

2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the items of special business is annexed to this notice.
3. The Register of Members and Share Transfer Books will remain closed from 23rd September, 2014 to 27th September, 2014, both days inclusive.
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 Company Secretary at the registered office or the Registrar and Share Transfer Agents, ie, BgSE Financials Ltd. No. 51, Stock Exchange Towers, 1st Cross, J.C. Road, Bangalore 560 027. (Phone: 08041575234/35).
7. For the convenience of Members and for the proper conduct of the Meeting, entry to the place of Meeting will be regulated by an Attendance Slip, which is annexed to the Proxy Form. Members/Proxies attending the meeting are kindly requested to complete the enclosed Attendance Slip and affix their signature at the place provided thereon and hand it over at the entrance.
8. The Notice is being sent to all the Members, whose names appear in the Register of Members as on August 22, 2014. The Notice of the Meeting is also being posted on the website of the Company at www.mivenmachinetools.in.
9. The Annual Report and Notice for the 29th AGM along with Attendance Slip and Proxy Form is being sent by electronic mode to all members whose email addresses 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 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.
10. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. 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.
12. As per Clause 49 of the Listing agreement with Stock Exchanges, the profile of the Directors seeking appointment/re-appointment is indicated in the Corporate Governance Report. The Directors have furnished the requisite consents/declarations for their appointment/re-appointment.

13. Voting through electronic means

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice convening the 29th AGM to be held on Saturday, 27th September, 2014 at 3.30 P.M. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility. Please note that the voting through electronic means is optional.

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

Notice Contd...)

For Members holding shares in Demat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>* Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</p> <p>* In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</p>
DOB#	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>* Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.</p>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly 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. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.

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Notice Contd...)

- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy :

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
 - (B) The voting period begins on Sunday, the 21st September, 2014 at 10 A.M. and ends on Tuesday, the 23rd September, 2014 at 6 P.M. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, ie, 22nd August, 2014 may cast their vote electronically. The Members will not be able to cast their vote electronically beyond the date and time mentioned here, as the e-voting module shall be disabled by CDSL for voting thereafter.
 - (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
14. The Company has appointed Mr. Pradeep B. Kulkarni, Practicing Company Secretary (FCS 7260, C.P. No. 7835) and Partner of V. Sreedharan & Associates, Company Secretaries, Bangalore to act as the Scrutinizer for conducting the electronic voting process in a fair and transparent manner.
 15. The voting rights of the shareholders shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date, ie, 22nd August, 2014.
 16. The scrutinizer shall within a period of not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of atleast two witnesses not in the employment of the company and make a Scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 17. The results of the e-voting alongwith the Scrutinizer's report shall be placed on the Company's website www.mivenmachinetools.in and on the website of CDSL within two days of passing of the said resolution at the AGM of the company. The results will also be communicated to the stock exchanges where the shares of the Company are listed.

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EXPLANATORY STATEMENT

MIVEN MACHINE TOOLS LIMITED

Registered Office : Tarihal Industrial Area,
Tarihal, HUBLI - 580 026 (Karnataka)
CIN: L29220KA1985PLC007036

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 IN RESPECT OF ITEMS OF SPECIAL BUSINESS :

Special Business: Item No. 5

1. Mr. A R Menon was reappointed as Executive Director by the members of the Company at the Annual General Meeting held on 27th September, 2011 for a period of three years from 27.06.2011 to 26.06.2014. His term of office expired on 26th June, 2014. Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on 29th May, 2014 has approved the re-appointment of Mr. A.R. Menon as Executive Director for a further period of three years commencing from 27-06-2014 to 26.06.2017 on the existing terms and conditions. The re-appointment is subject to approval of the members by special resolution in general meeting.

Mr A R Menon Executive Director has been with this Company since inception in various capacities. He has about 38 years of experience in the field of Engineering Industry. He has been making substantial efforts in steering the Company through its difficult times and devoting the whole of his time in managing the affairs of the Company. In view of his vast experience in the machine tool industry and the specialized nature of business of the company, it is proposed to re-appoint him as Executive Director for a further period of three years commencing from 27-06-2014 to 26.06.2017 subject to the provisions of Section 197,199 and 203 read with Schedule V of the Companies Act, 2013 and other applicable provisions, if any. His re-appointment will be on the existing terms and conditions applicable to him, which is reproduced below:

(1) SALARY

Rs. 6,00,000 for the year at the rate of Rs.50,000/- per month inclusive of Dearness allowances.

(2) HOUSE RENT ALLOWANCE :

Rs.60,000/- for the year at the rate of Rs.5,000/- per month.

OTHER BENEFITS

(3) MEDICAL REIMBURSEMENT

Medical expenses will be paid by the Company for him and his family, viz. wife, dependent children and dependent parents, subject to a ceiling of one month's salary in a year.

(4) LEAVE TRAVEL CONCESSION

For self and family once in a year incurred in accordance with rules, if any, specified by the Company.

(5) CLUB FEES

Will be paid fees of clubs subject to a maximum of two clubs, which will not include admission and life membership fees.

(6) PERSONAL ACCIDENT INSURANCE

A Policy will be taken by the Company for an amount, the premium for which shall not exceed Rs.2,500/- per annum

(7) GRATUITY

One-half month's salary for each completed year of services.

(8) SPECIAL ALLOWANCE :

Rs.72, 000/- per annum.

(9) USE OF CAR

A car with a chauffeur for use of the Executive Director on Company's business. Use of car for private purpose shall be billed by the Company.

(10) TELEPHONE

The Company will provide a telephone at the residence, the expenditure on which shall not be considered as perquisite. However, long distance personal calls shall be billed by the Company.

(11) LEAVE

One month's privilege leave on full pay for every eleven month's of service, which may be accumulated as per the Rules of the Company.

(12) Benefit as applicable by way of employer and employee policy taken by the Company from LIC of India.

OTHERS

a) The general management of the affairs of the Company shall be vested in the Executive Director subject to the superintendence, control and directions of the Board of Directors.

b) The Executive Director will be liable to retirement by rotation.

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EXPLANATORY STATEMENT (Contd...)

STATEMENT OF INFORMATION PROVIDED IN TERMS OF SECTION II (B) OF PART II OF SCHEDULE V

1. Nature of industry	Manufacture and sale of CNC Machines.			
2. Date or expected date of commencement of commercial production	1986			
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable			
4. Financial performance based on given indicators	Details	2011-12	2012-13	2013-14
		(Rs. in Lakhs)		
	Paid Up Capital	300.35	300.35	300.35
	Reserves	(712.16)	(836.06)	(939.39)
	& Surplus			
	Turnover	853.31	678.91	673.36
	Profit After Tax	(85.77)	(123.91)	163.32
5. Foreign Investment or Collaboration (Amount in Rs Lakhs).	NIL			

II. INFORMATION ABOUT THE APPOINTEE :

(1) Background details	Mr. A.R. Menon is the Executive Director of the company.								
2) Remuneration Past 3 (Three) Financial years (as per annual reports)	<table border="1"> <thead> <tr> <th>Year</th> <th>Remuneration (Rs)</th> </tr> </thead> <tbody> <tr> <td>2011-12</td> <td>9,20,013</td> </tr> <tr> <td>2012-13</td> <td>9,42,513</td> </tr> <tr> <td>2013-14</td> <td></td> </tr> </tbody> </table>	Year	Remuneration (Rs)	2011-12	9,20,013	2012-13	9,42,513	2013-14	
Year	Remuneration (Rs)								
2011-12	9,20,013								
2012-13	9,42,513								
2013-14									
3) Recognition or awards	N.A								
4) Job profile and his suitability	Mr. A.R. Menon has rich knowledge and experience in the machine tool industry and has been with the company since about 38 years. He oversees the entire manufacturing operations and other business divisions of the Company. During this period, he has gained considerable experience in the manufacture of machine tools, such as high end CNC Lathes, Turning machines etc., Considering his vast experience and the fact that the company is located in the interior part of Karnataka, it is recommended that his reappointment as Executive Director be approved on the existing terms and conditions.								
(5) Remuneration proposed	Proposal : (i) SALARY Rs. 6, 00,000 for the year at the rate of Rs.50, 000 /-per month inclusive of Dearness allowances.								

MIVEN MACHINE TOOLS LIMITED

EXPLANATORY STATEMENT (Contd...)

	<p>(ii) HOUSE RENT ALLOWANCE : Rs.60,000/- for the year at the rate of Rs.5,000/- per month.</p> <p>OTHER BENEFITS</p> <p>(iii) MEDICAL REIMBURSEMENT Medical expenses will be paid by the Company for him and his family, viz. wife, dependent children and dependent parents, subject to a ceiling of one month's salary in a year.</p> <p>(iv) LEAVE TRAVEL CONCESSION For self and family once in a year incurred in accordance with rules, if any, specified by the Company.</p> <p>(v) CLUB FEES Will be paid fees of clubs subject to a maximum of two clubs, which will not include admission and life membership fees.</p> <p>(vi) PERSONAL ACCIDENT INSURANCE A Policy will be taken by the Company for an amount, the premium for which shall not exceed Rs.2,500/- per annum</p> <p>(vii) GRATUITY One-half month's salary for each completed year of services.</p> <p>(viii) SPECIAL ALLOWANCE Rs.72, 000/- per annum.</p> <p>(ix) USE OF CAR A car with a chauffeur for use of the Executive Director on Company's business. Use of car for private purpose shall be billed by the Company.</p> <p>(x) TELEPHONE The Company will provide a telephone at the residence, the expenditure on which shall not be considered as perquisite. However, long distance personal calls shall be billed by the Company.</p> <p>(xi) LEAVE One month's privilege leaves on full pay for every eleven month's service, which may be accumulated as per the Rules of the Company.</p> <p>(xii) Benefit as applicable by way of employer and employee policy taken by the Company from LIC of India.</p>
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EXPLANATORY STATEMENT (Contd...)

<p>(6) 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 w.r.t. the country of his origin)</p>	<p>The proposed remuneration to Mr. A.R.Menon, Executive Director is on the same terms as hitherto. The company being under financial stress, his remuneration is not strictly comparable to the remuneration of equivalent personnel in profit making companies of similar profile. However, remuneration drawn by similar managerial personnel is listed below for comparison.</p>									
<p>7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.</p>	<table border="1" data-bbox="617 537 1437 1024"> <thead> <tr> <th data-bbox="617 537 886 709">Name of the employee and Employer</th> <th data-bbox="886 537 1156 709">Position, Qualification, Exp</th> <th data-bbox="1156 537 1437 709">Remuneration as disclosed in Sec 217 (2A) for 2013-14</th> </tr> </thead> <tbody> <tr> <td data-bbox="617 709 886 884">Mr. B. Kishore Babu Lokesh Machine Tools Ltd.</td> <td data-bbox="886 709 1156 884">Executive Director Nil 30 yrs</td> <td data-bbox="1156 709 1437 884">Rs. 21.09 Lakhs</td> </tr> <tr> <td data-bbox="617 884 886 1024">Mr. Nirmal Bhogilal Batliboi Ltd.</td> <td data-bbox="886 884 1156 1024">Managing Director 40 Yrs</td> <td data-bbox="1156 884 1437 1024">Rs. 83.89 Lakhs</td> </tr> </tbody> </table> <p>Mr. Menon does not have any direct or indirect pecuniary relationship with the Company. He is not related to any other director or Managerial personnel. He holds 300 equity shares of the Company personally</p>	Name of the employee and Employer	Position, Qualification, Exp	Remuneration as disclosed in Sec 217 (2A) for 2013-14	Mr. B. Kishore Babu Lokesh Machine Tools Ltd.	Executive Director Nil 30 yrs	Rs. 21.09 Lakhs	Mr. Nirmal Bhogilal Batliboi Ltd.	Managing Director 40 Yrs	Rs. 83.89 Lakhs
Name of the employee and Employer	Position, Qualification, Exp	Remuneration as disclosed in Sec 217 (2A) for 2013-14								
Mr. B. Kishore Babu Lokesh Machine Tools Ltd.	Executive Director Nil 30 yrs	Rs. 21.09 Lakhs								
Mr. Nirmal Bhogilal Batliboi Ltd.	Managing Director 40 Yrs	Rs. 83.89 Lakhs								

III. Other information:

<p>1) Reasons of loss or inadequate profits</p>	<p>The company's products, namely CNC machines are highly capital intensive and requires large working capital. Some of the reasons for loss/inadequate profits are:</p> <ol style="list-style-type: none"> 1. Considerable time lag between manufacture and delivery, with various inspection requirements. 2. Large proportion of the sales is towards the defence sector, where processes cause delays in completing the transactions. 3. In view of the overall recession in the machine tool industry, customers are sometimes not adhering to commitments, causing tightness in fund management. 4. Blockage of funds in inventory, causing loss of interest.
<p>(2) Steps taken or proposed to be taken for improvement</p>	<p>The company has a good order position. Steps are being taken to ensure that customers lift the machines ordered by them. The management of working capital is also being tightened and debt recovery mechanism has been improved.</p>

EXPLANATORY STATEMENT (Contd...)

3) Expected increase in productivity and profits in measurable terms	With more orders being executed, the company hopes to turn around in the next one or two years.
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Mr. A.R. Menon is a member of the Audit Committee and Shareholders Grievance Committee. He is not a director of any other company and does not hold membership of any committee of the Board in any other company. He is not related to any other director or Key Managerial Personnel of the company.

Except Mr. AR Menon, the appointee, no other director or Key Managerial Personnel or their respective relatives are in any way, concerned or interested, financial or otherwise in the resolution.

Special Business: Item No. 6

The company had taken consent of the members at the Extraordinary General Meeting held on 24.06.1986 to borrow monies where monies to be borrowed together with the monies already borrowed (apart from the temporary loans obtained from the company's Bankers in the ordinary course of business) will exceed the aggregate of the paid up capital of the company and its free reserves, provided however, the total amount so borrowed shall not exceed Rs.7 crores.

The company is receiving many orders from the customers to manufacture and deliver the machines in a time bound manner. The manufacture of such high end machines require substantial funds. Further, there is considerable time lag from undertaking manufacturing activity till final realization of payment. As of date, the company has been received various credit facilities including Cash Credit and Bank Guarantee from the company's Bankers.

Hence, in order to provide for additional fund requirements required for manufacture of machinery, it is proposed to seek approval of the members of the company to borrow monies where monies to be borrowed together with the monies already borrowed (apart from the temporary loans obtained from the company's Bankers in the ordinary course of business) will exceed the aggregate of the paid up capital of the company and its free reserves, provided however, the total amount so borrowed shall not exceed Rs.20 crores (Rupees Twenty Crores only).

None of the directors or Key Managerial Personnel of the company or their relatives have any interest, financial or otherwise in respect of the proposed resolution.

Special Business: Item No. 7

Mr. Sanjay B. Baljekar(DIN 01999874), aged about 59 years has been an Independent Director of the Company under the Listing Agreement since October, 2008. Mr. Baljekar is the Chairman of the Audit Committee and the Shareholders/Investor Grievance Committee and a Member of the Remuneration Committee. Consequent upon the enactment of the Companies Act, 2013(the Act), it is now incumbent upon every listed company to appoint "Independent Directors" as defined under Section 149(6) of the Act and the rules made thereunder. The Board of Directors of your company, after reviewing the provisions of the Act, are of the opinion that Mr. Sanjay B. Baljekar fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

The Company has received a declaration from Mr. Sanjay B. Baljekar that he meets with the criteria of independence as prescribed both under sub-section(6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. Copy of the draft letter for appointment of Mr. Sanjay B. Baljekar as an Independent Director setting out the terms and conditions would be available for inspection by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturdays. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Sanjay B. Baljekar as an Independent Director. Accordingly, the Board recommends the resolution set forth in Item No. 7 of the Notice for the approval of the members.

The profile of Mr. Sanjay B. Baljekar as required under Clause 49 of the Listing Agreement is given under the Corporate Governance Report annexed to the Annual Report.

Except Mr. Sanjay B. Baljekar, the appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution.

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EXPLANATORY STATEMENT (Contd...)

Special Business: Item No. 8

Mr. Jitendra B. Divgi (DIN 00471531), aged about 51 years has been an Independent Director of the Company under the Listing Agreement since November, 2012. Mr. Divgi is a Member of the Remuneration Committee. Consequent upon the enactment of the Companies Act, 2013(the Act), it is now incumbent upon every listed company to appoint "Independent Directors" as defined under Section 149(6) of the Act and the rules made thereunder. The Board of Directors of your company, after reviewing the provisions of the Act, are of the opinion that Mr. Jitendra B. Divgi fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

The Company has received a declaration from Mr. Jitendra B. Divgi that he meets with the criteria of independence as prescribed both under sub-section(6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. Copy of the draft

letter for appointment of Mr. Jitendra B. Divgi as an Independent Director setting out the terms and conditions would be available for inspection by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturdays. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Jitendra B. Divgi as an Independent Director. Accordingly, the Board recommends the resolution set forth in Item No.8 of the Notice for the approval of the members.

The profile of Mr. Jitendra B. Divgi as required under Clause 49 of the Listing Agreement is given under the Corporate Governance Report annexed to the Annual Report.

Except Mr. Jitendra B. Divgi, the appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution.

By Order of the Board

For **MIVEN MACHINE TOOLS LTD**

V.N.HASALKAR

Company Secretary

Pune

Dated 13th August, 2014

DIRECTORS' REPORT

To
THE MEMBERS,
Your Directors wish to submit their 29th Annual Report on the Audited Accounts for the year ended 31st March, 2014.

FINANCIAL RESULTS :	(Rs. in lakh)	
	Year ended 31-03-2014	Year ended 31-03-2013
Gross Income	750.83	746.53
Less : Excise Duty	77.47	67.62
	673.36	678.91
Profit (Loss) Before Interest & Depreciation	8.11	(21.21)
Interest	143.07	90.57
Depreciation	12.14	12.13
Net Profit / (Loss)	(163.32)	(123.91)
Loss brought forward	(851.34)	(727.43)
Deficit carried to Balance Sheet	(1014.66)	(851.34)

OPERATIONS:

During the year under review, your company achieved a turnover of Rs. 673.36 lakhs excluding Excise Duty as against previous year's turnover of Rs. 678.91 lakhs excluding Excise Duty and suffered a loss of Rs. 163.32 lakhs as against previous year's loss of Rs. 123.91 lakhs. Your company manufactured and dispatched 7 machines during the year under report as against 13 machines during the previous year.

Your company's order book position at the beginning of the year under report consisted of 15 machines for a value of Rs. 1219.06 lakhs.

During the year, your company received orders for 7 machines for a value of Rs. 474.42 lakhs.

There is increase in the in-house manufacturing activity during the year under report and the material consumption has decreased to 64.88% as compared to that of previous year of 68.37%.

DEPOSIT :

During the year under report, the company has not accepted any deposits from the public.

DIVIDEND :

In view of the loss for the year and the unabsorbed accumulated losses of the earlier years, your directors regret their inability to recommend dividend for the year under report.

PROSPECTS :

During the year 2013-2014, the downward trend in the demand for the machines segment that your company deals in, continued. It was only towards the last quarter of the year that saw the demand picking up, but rather slowly. Through out the year, the economy of the country continued its path of weak sentiments with a total policy paralysis that affected almost all sectors of the economic activities in the country

This resulted in the growth in the GDP of the country dropping to less than 4.5%. The auto sector, which is the main drawing engine for the manufacturing industry, showed sharp drop in the demand for commercial and personal transport segment. The infrastructure industry like power, coal, mining and the highways etc have all slowed down due to various policy reasons. This has affected the manufacturing industry severely which has shown substantial negative growth in the last two years.

Your company had received orders for 10 machines worth Rs.10.19 crores from the Ordnance Factories. While some machines were delivered during 2012-2013 and early 2013,2014, a bulk of them got delayed due to delayed inspection and modifications. The Company still has 4 more machines to be delivered to Ordnance Factories, Kanpur, as the earlier 4 machines supplied are still undergoing modifications as per instructions of Ordnance Factories, Kanpur. This delay has affected the planned turnover of 2013-2014 severely.

During the year, the short term loan of Rs. 4.00 Crores taken from the SVC Bank for executing the orders received from Ordnance Factories, Kanpur, was repaid, which severely crippled further manufacturing operations. The company has applied to SVC Bank again for a short term loan of Rs.2.00 Crores for completing the above machines and other orders on hand

Due to the general elections in April/May, 2014, and with the possibility of a change in the Government at the Centre, the business sentiment is looking up and there are clear signs that many industries, who had hesitated to invest in the weak economy are preparing for fresh investments. Your company is now receiving active enquiries for machines and negotiations have resulted in a few orders already coming in. Accordingly, the company has prepared a workable plan for the next three years and if all goes well, we will be hoping to turn around the company in 2014-2015 itself.

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DIRECTORS' REPORT (Contd...)

DIRECTORS RETIRING BY ROTATION :

Mr. Vikram Sirur, Director of the Company, retires by rotation and being eligible, offers himself for re-appointment.

Mr. Shyam Sirur, Director of the company, retires by rotation and being eligible, offers himself for re-appointment.

A brief profile of directors retiring by rotation is given below:

VIKRAM R SIRUR :

Mr. Vikram Sirur (67) holds degree in B.E.(Chem) & M.I.E. He has about 46 years of industrial experience in the field of engineering industry. He has been appointed Vice President of the Indian Machine Tools Manufacturer's Association. He is Chairman and Managing Director of Miven Mayfran Conveyors Pvt. Ltd., Chairman Urban Co-operative Bank Hubli, Managing Director of Ruris Tecnal Extraction Systems Pvt. Ltd., Director of N A Sirur (Hubli) Pvt. Ltd., Cotmac Electronics Pvt. Ltd., Mipro International Pvt. Ltd., Pratt Automation Pvt Ltd. and Finerarc Systems Pvt. Ltd., He is also a Member of the Shareholders Grievance Committee of the Company.

SHYAM M. SIRUR :

Shyam M. Sirur (65) holds a degree in B.E. (Elect.). He has about 44 years of experience in the field of electronics. He is the Executive Chairman of Cotmac Electronics Pvt. Ltd., Director of Cotmac Pvt. Ltd., Cotmac Electronics (Surat) Pvt. Ltd., Cotmac Telecom Pvt. Ltd., Cotmac Infotech Pvt. Ltd., Sunny Weld Pvt. Ltd., Mipro International Pvt. Ltd., N. A. Sirur (Hubli) Pvt. Ltd, Cotmac Gastech Pvt. Ltd., Sibella Pvt. Ltd., Cotmac Synergy Pvt. Ltd., Softech Controls Pvt. Ltd., Sibella Technologies (Pvt.) Ltd., Cotmac Industrial Trading Pvt. Ltd., Cotmac Precision Casting Pvt. Ltd, and Cotmac DTM Exim Pvt. Ltd. He is also the Chairman of the Remuneration Committee and member of the Audit Committee of the Company.

RE-APPOINTMENT OF MR. A R MENON AS EXECUTIVE DIRECTOR :

At the Annual General Meeting held on 27.09.2011, Mr. A R Menon was re-appointed as Executive Director for a period of three years from 27.06.2011 to 26.06.2014. His term of office expired on 26th June, 2014.

Mr. A.R. Menon (65) holds degree in B.Sc (Engineering). He has been with this Company since inception in various Capacities. He has about 38 Years of experience in the engineering Industry and has vast experience in the field of machine tools, especially CNC machines, lathes, etc.,

The Remuneration Committee and the Board of Directors at the meetings held on 29th May, 2014 have recommended his re-appointment on the existing terms and conditions for a further period of three years from 27.06.2014 to 26.06.2017.

In recognition of his valuable services to the Company and his long standing experience in the machine tool industry, the Board recommends his re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed;

1. That in the preparation of the annual accounts for the financial year ended 31st March, 2014, the applicable accounting standards had been followed along with proper explanation relating to material departures.
2. That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were 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 for the year under review.
3. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the Directors had prepared the accounts for the financial year ended 31st March, 2014 on a 'Going Concern' basis.

AUDITORS :

M/s. B. K. Ramadhyani & Co, Chartered Accountants, Bangalore, the auditors of the company, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. You are requested to appoint auditors for the current year and fix their remuneration.

DIRECTORS' REPORT (Contd...)

DISCLOSURE WITH REGARD TO CONSERVATION OF ENERGY, TECHNOLOGY OUTGO, ETC:

Information as required under Section 217 (1) (e) of the Companies Act, 1956, forms part of this report and is given as an Annexure.

EMPLOYEES :

During the year under review, there was no employee who was in receipt of a remuneration, which is in excess 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 Section 217 (2A) of the Companies Act, 1956 are not given in the report.

CORPORATE GOVERNANCE PROVISIONS :

Pursuant to the provisions of Clause 49 of the Listing Agreement, the company has adopted the provisions relating to Corporate Governance Code. Your company has complied with all the mandatory requirements of the said Corporate Governance provisions. Corporate Governance Report is furnished separately and forms part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT :

The Management Discussion and Analysis Report as per requirements under Clause V (A) of the Corporate Governance Provisions prescribed under Clause 49 of the Listing Agreement is furnished separately and forms part of this Report.

CEO/CFO Certification :

As required under Clause (V) of Clause 49 of the Listing Agreement, the Company has obtained a certificate from A. R. Menon, Executive Director and S. G. Gadagkar, Unit Manager (Accounts), confirming compliance of the aforesaid clause.

CERTIFICATE OF COMPLIANCE OF CORPORATE GOVERNANCE :

Certificate of the Auditors confirming Compliance with the provisions of Corporate Governance forms a part of this Report.

EXPLANATIONS TO THE REMARKS IN THE AUDITORS' REPORT :**Basis of qualified opinion :****Re. Sl. No. (i)**

Legal proceedings have been initiated and hearings are in progress for recovering an amount of Rs. 14.58 lakhs.

The company has a strong case and is confident of being successful. In respect of the claims made by the customer of Rs. 73.49 lakhs, the company has been advised that the claim will not stand.

Annexure to the report :**Re. Sl. No. 2 (c)**

The company has subsequently received the confirmations from the concerned third parties for the materials lying with them. Consequently, there is no impact on the financial statements.

Re. Sl. No. 3 (a)

The delay in payment of interest for certain months on loan from parties mentioned was due to financial constraints. The arrears will be settled as and when the liquidity position of the company improves.

Re. Sl. No. 9 (a)

The Company faced severe working capital crunch during the year and certain statutory payments were delayed.

Re. Sl. Nos. 9 (b) and (c)

As fully explained in Note 20 (v) of the financial statements for the year ended March 31, 2014, the entire subject of payment of property tax and penalty claimed by local authorities is disputed through the Greater Hubli-Dharwad Industries Association and the matter is pending before the Government of Karnataka.

Re. Sl. No. 17

The Company had obtained short term facilities for its working capital requirements. However, due to financial constraints, the repayment was delayed and the character of the borrowing has changed to long term investments.

INDUSTRIAL RELATIONS :

Industrial relations with the employees of the company remained cordial, stable and satisfactory during the year under review.

ACKNOWLEDGEMENT :

Your directors wish to place on record their appreciation of the assistance and support extended by the Bankers, Financial Institutions, State and Central Governments, Customers and Suppliers to the Company. Your directors express their appreciation for the dedicated and sincere services rendered by the employees of your Company.

For and on behalf of the Board

Pune
Dated 29th May 2014

VIKRAM R. SIRUR
Chairman

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ANNEXURE TO DIRECTORS' REPORT:

Information as per Section 217 (1) (e) of the Companies Act 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

A. CONSERVATION OF ENERGY :

a) Energy conservation measures taken:

The Company has an effective internal control system for monitoring power consumption. Being engaged in assembly of machines, power consumption is minimal.

b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

No fresh investments are proposed. By its internal control measures, the consumption of energy is being closely monitored.

c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

Lower cost of production of goods.

d) Total energy consumption and energy consumption per unit of production as per Form 'A' of the annexure in respect of industries specified in the schedule thereto:

Our industry is not specified in the schedule to Form 'A' of the annexure. Therefore, Form 'A' is not furnished.

B. EFFORTS MADE IN TECHNOLOGY ABSORPTION:

Not applicable as no foreign technology is involved.

1) Specific areas in which R&D is carried out by the company.

Presently, no specific area concerning research and development is being carried out.

2) Benefits derived as a result of the above R&D:

Not applicable, as there is no specific R & D activity being carried out.

3) Future plan of action:

To examine and initiate steps for optimizing use of energy.

Expenditure on R&D:	Rs.
a. Capital	---
b. Recurring	6,79,224/-
c. Total	6,79,224/-
d. Total R&D expenditure as a percentage of turnover	1.016%

Technology absorption, adaptation and innovation:

1. **Efforts made :** Our machine building technology is being continuously upgraded to suit the specific requirements of customers.

2. **Benefits derived as a result of above efforts :** Supply of high quality products to our clients.

3. Technology imported during the last five years :

a. **Technology imported** : NIL

b. **Year of import** : Not applicable

c. **Has technology been fully absorbed** : Not applicable

d. **If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action** : Not applicable

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

a) Activities relating to exports :

The company has not exported its products during the year under review.

b) Total foreign exchange used and earned:

Foreign Exchange Earnings NIL

Foreign Exchange Outgo (used) NIL

For and on behalf of the Board

Pune

Dated 29th May 2014

VIKRAM R. SIRUR

Executive Chairman

MIVEN MACHINE TOOLS LIMITED

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED 31ST MARCH, 2014

(Pursuant to Clause 49 of the Listing Agreement entered into with Stock Exchanges)

(The following is the report on corporate governance as implemented by your company.)

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate governance implies a set of principles, process and systems to be followed by Directors, Management and all the employees of the company for increasing the stakeholders' value. The stakeholders include shareholders, suppliers, employees, customers, banks and financial institutions. To be in line with the above policy, the company is committed to integrity, accountability, transparency and compliance with the various corporate and other laws in its dealings with the Government authorities, customers, suppliers, employees and other stakeholders.

2. BOARD OF DIRECTORS

Composition of Board of Directors, attendance at Board meetings, last Annual General Meeting and details of membership of other Boards/ Committees:

During the year, there were five Directors on the Board. Out of these, two are Executive Directors and other three are Non-Executive Directors. The Non- Executive Directors constituted more than half of the total number of directors, thus ensuring compliance with the requirement.

The information on the composition of the Board, category of Directors, attendance at Board meetings held during the year and at the last Annual General Meeting, directorships in other public companies and committees of other public companies of which the director is member/ chairman, is furnished in the table given below:

Name of the Director	Category	Financial year 2013-2014		Attendance at the Last AGM (Yes/No)	Number of Directorships in other public companies incorporated in India	Committee position held in other companies
		No. of Board Meetings held	No. of Board Meetings attended			
Vikram Sirur	Executive	7	7	Yes	-	-
A. R. Menon	Executive	7	5	Yes	-	-
Shyam Sirur	Independent Non Executive	7	6	No	-	-
Sanjay B. Baljekar	Independent Non Executive	7	6	Yes	-	-
Jitendra B. Divgi	Independent Non Executive	7	5	No	-	-

Details of Board Meetings held during the year :

During the year 2013-14, Seven Meetings of the Board were held on the following dates:

Sl. No.	Dates
1	30-05-2013
2	08-06-2013
3	14-07-2013
4	14-08-2013
5	13-09-2013
6	08-11-2013
7	11-02-2014

None of the directors of the company was a member of more than 10 Committees, nor was any director the Chairman of more than 5 Committees across all companies in which he was a director.

The Independent Directors have confirmed that they satisfy the "criteria of independence" as stipulated in Clause 49 of the Listing Agreement. During the year 2013-14, information as mentioned in Annexure-1A to Clause 49 of the Listing Agreement has been placed before the Board for its consideration..

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REPORT ON CORPORATE GOVERNANCE (Contd....)

Non Executive Directors - compensation, disclosures and term of office:

Non-Executive Directors are not receiving any compensation from the company, except for sitting fees payable to them for attending the Board meetings. None of the non-executive directors have any material pecuniary relationship or transaction with the Company. Consequent to the enactment of the Companies Act, 2013, the Independent Directors will not be liable to retirement by rotation.

The company paid sitting fees to all the Non-Executive directors who attended the Board meetings at the rate of Rs. 2,500/- per meeting up to 31st March, 2014. The sitting fees paid to the directors for the year under report are as follows:

Name	Amount (Rs)
Shyam M. Sirur	15,000
Sanjay B. Baljekar	15,000
Jitendra B. Divgi	12,500

General Information about Directors retiring by Rotation and seeking re-appointment and new appointments are given below :

Directors retiring by rotation :

Mr. Vikram R. Sirur and Mr. Shyam M. Sirur retire by rotation at the ensuing Annual General Meeting. Being eligible, they have offered themselves for re-appointment. A brief resume of the directors is given below:

Mr. VIKRAM R SIRUR :

Mr. Vikram R. Sirur (67) holds degree in B.E.(Chem) & M.I.E. He has about 46 years of industrial experience in the field of engineering industry. He has been appointed Vice President of the Indian Machine Tools Manufacturer's Association. He is Chairman and Managing Director of Miven Mayfran Conveyors Pvt. Ltd., Chairman of Urban Co-operative Bank Hubli, Managing Director of Ruris Tecnal Extraction Systems Pvt. Ltd., Director of Cotmac Electronics Pvt. Ltd., Mipro International Pvt. Ltd., Pratt Automation Pvt Ltd. and Finerarc Systems Pvt. Ltd., He is also a Member of the Shareholders Grievance Committee of the Company. He holds 300 equity shares in the company and he is also a director of N.A. Sirur(Hubli) Pvt. Ltd.(Promoter) which holds 25,88,150 equity shares in the company.

SHYAM M. SIRUR :

Shyam M. Sirur (65) holds a degree in B.E. (Elect.). He has about 44 years of experience in the field of electronics. He is the Executive Chairman of Cotmac Electronics Pvt. Ltd., Director of Cotmac Pvt. Ltd., Cotmac Electronics (Surat) Pvt. Ltd., Cotmac Telecom Pvt. Ltd., Cotmac Infotech Pvt. Ltd., Sunny Weld Pvt. Ltd., Mipro International Pvt. Ltd., Cotmac Gastech Pvt. Ltd., Sibella Pvt. Ltd., Cotmac Synergy Pvt. Ltd., Softech Controls Pvt. Ltd., Sibella Technologies (Pvt.) Ltd., Cotmac Industrial Trading Pvt. Ltd., Cotmac Precision Casting Pvt. Ltd, and Cotmac DTM Exim Pvt. Ltd. He is also the Chairman of the Remuneration Committee and member of the Audit Committee of the Company. He does not hold any equity shares in the company. He is also a Director of N.A.Sirur. (Hubli) Pvt. Ltd., (Promoter)

Directors seeking appointment as Independent Directors

Consequent to the enactment of the Companies Act, 2013, it is proposed to appoint Mr. Sanjay B. Baljekar (DIN 01999874), and Mr. Jitendra B. Divgi (DIN 00471531) as Independent Directors to hold office for a period of 3(three) years from the conclusion of the 29th Annual General Meeting. Mr. Sanjay B. Baljekar has been an Independent Director since 24th October, 2008 and Mr. Jitendra B. Divgi has been an Independent Director since 9th November, 2012.

A brief profile of Mr. Sanjay B. Baljekar and Mr. Jitendra B. Divgi is given below:

Mr. Sanjay B. Baljekar(DIN 01999874), born on 19/09/1954 has been an Independent Director of the Company under the Listing Agreement since 24/10/2008. Mr. Baljekar is the Chairman of the Audit Committee and the Shareholders/Investor Grievance Committee and a Member of the Remuneration Committee. He is an Honours Graduate in Business Management from Sydenham College of Commerce and Economics, University of Bombay. He has about 38 years of experience in the fields of Business Management and Industry. He is a Director of Emuge India Pvt. Ltd, Precomp Tools Pvt. Ltd and Precomp Gears Pvt. Ltd

Mr. Jitendra B. Divgi (DIN 00471531) born on 26/10/1962 has been an Independent Director of the Company under the Listing Agreement since 9/11/2012. He is a member of the Remuneration Committee. He is an Honours Graduate in Mechanical Engineering from Birla

MIVEN MACHINE TOOLS LIMITED

REPORT ON CORPORATE GOVERNANCE (Contd....)

Institute of Technology & Science, Pilani and M.S. in Manufacturing Systems Engineering from University of Massachusetts, Amherst, U.S.A. He was a member of the Advance Manufacturing Technology, AMT group of Digital Equipment Corp. Shrewsbury, Massachusetts, U.S.A. He was an Executive Director in Transmission systems Division and International Operations, Divgi Metalwares Pvt. Ltd, Pune. Presently, he is the Managing Director of Divgi-Warner Pvt. Ltd, Pune, a joint venture company between Divgi Metalwares Pvt. Ltd. and Borg Warner Corp. of Chicago, U.S.A. since 1995.

Neither Mr. Sanjay B. Baljekar nor Mr. Jitendra B. Divgi hold any equity shares in the company.

3. AUDIT COMMITTEE

The Audit Committee comprises of the following directors:

a.Sanjay B. Baljekar	Chairman	Independent Director
b.Shyam Sirur	Member	Independent Director
c. A. R. Menon	Member	Executive Director

The composition of the Audit Committee is in compliance with the requirements of Clause 49(IIA) of the Listing Agreement.

Mr. Sanjay B. Baljekar, Chairman of the Audit Committee is an independent non-executive director having expert knowledge of management and financial matters.

Mr. V. N. Hasalkar, Company Secretary, is the Secretary of the Audit Committee.

Brief terms of reference of the Audit Committee include monitoring, analyzing & reporting to the Board on:

- (a) Accounting policies, practices and procedures;
- (b) Compliance with Accounting Standards;
- (c) Related party transactions;
- (d) Compliance with all applicable provisions of law;
- (e) Internal control procedures;
- (f) Review of periodical accounts;
- (g) Internal audit and
- (h) Other issues connected with financial management.

During the year under report, four meetings of the committee were held on 30-05-2013, 14-08-2013, 08-11-2013 and 11-02-2014. The names of the members of the committee, the number of meetings held and attended by them is tabulated below:

Name of the Member	No. of Meetings	
	Held	Attended
Sanjay B. Baljekar - Chairman	4	4
Shyam Sirur - Member	4	4
A. R. Menon - Member	4	4

4. REMUNERATION COMMITTEE

Composition :

The Remuneration Committee consists of the following three Directors.

1. Shyam M. Sirur - Chairman
2. Sanjay B. Baljekar - Member
3. Jitendra B. Divgi - Member

All the members of the Committee are Independent and Non-Executive Directors.

The terms of reference include scrutinizing and recommending from time to time to the Board all aspects of appointment and payment of remuneration and other allowances to Whole-time Directors.

Remuneration Policy :

The remuneration package for Whole-time Directors will be decided by the Board of Directors on the recommendation of the Remuneration Committee keeping in view the prevailing industry trends. The terms of remuneration are subject to the approval of the members in Annual General Meeting, or by the Central Government, as the case may be.

Details of remuneration paid/accrued to Executive Chairman/Executive Director:

Particulars	Vikram R. Sirur Executive Chairman	A. R. Menon Executive Director
Salary	Amount (Rs.) 3,00,000	Amount (Rs.) 6,00,000
House Rent Allowance	-	60,000
Reimbursement of Medical expenses	-	50,000

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REPORT ON CORPORATE GOVERNANCE (Contd....)

Particulars	Vikram R. Sirur Executive Chairman	A. R. Menon Executive Director
Employer's Contribution to Provident Fund	36,000	6,000
Contribution to Superannuation Fund	45,000	90,000
Leave Encashment	-	40,000
Gratuity	14,423	28,846
Special Allowances	-	66000
TOTAL	3,95,423	9,40,846

Notes:

- 1) Contribution to gratuity fund under Group Gratuity Scheme is not separately identifiable in respect of the Executive Director.
- 2) None of the above said remuneration/benefits is performance linked.
- 3) The Executive Chairman and the Executive Director shall discharge their duties under the superintendence and directions of the Board of Directors from time to time. Their appointments are contractual. The term of office of the aforesaid Directors are for three years effective from the date of their appointment.

One meeting of the Remuneration Committee was held during the year under report.

5. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

Composition :

The Shareholders / Investors Grievance Committee comprises of :

Sanjay B. Baljekar	-	Chairman
Vikram Sirur	-	Member
A. R. Menon	-	Member

Mr. Sanjay B. Baljekar, the non-executive Director is the Chairman of the Committee.

Mr. V. N. Hasalkar, Company Secretary, is the Compliance Officer and Secretary of the committee.

The terms of reference of this Committee envisages the following:

a. To approve transfer/transmission of shares in physical form.

b. To issue duplicate share certificates.

c. Reviewing the system of dealing with and responding to correspondence from shareholders.

d. Reviewing and dealing with complaints and responses to letters received from Stock Exchanges and SEBI.

No investor grievances or complaints were received during the year.

No complaints have been received from shareholders during the year. As on the date of this report, there are no investor complaints or requests for share transfer pending resolution with the company.

The Company Secretary, as and when required, approves completed Share transfer requests.

Two meetings of the Shareholders/Investors Grievance Committee were held during the year on 14th August, 2013 and 11th February, 2014.

The names of the members of the committee, the number of meetings held and attended by them is tabulated below:

Name of the Member	No of Meetings	
	Held	Attended
Sanjay B. Baljekar - Chairman	2	2
Vikram R. Sirur - Member	2	2
A. R. Menon - Member	2	2

6. ANNUAL GENERAL MEETINGS

All the three previous Annual General Meetings of the Company were held at the Registered office of the company at Tarihal Industrial Area, Tarihal, Hubli - 580 026 on the following dates:

Year Ended	Date of the meeting	Time	Resolutions passed
31st March, 2011	28-09-2011	3:30 P.M.	Ordinary - 5
31st March, 2012	28-09-2012	3:30 P.M.	Ordinary - 4
31st March, 2013	13-09-2013	3:30 P.M.	Ordinary - 6

1(One) resolution was passed by postal ballot during the year 2013-14 for the purpose of seeking approval of members for Delisting of the securities of the company from all stock exchanges under the SEBI (Delisting of Equity Shares) Regulations, 2009. There is no resolution proposed to be passed by postal ballot at the ensuing annual general meeting.

REPORT ON CORPORATE GOVERNANCE (Contd....)

7. DISCLOSURES

Materially significant related party transactions.

- a. Transactions with the related parties are disclosed in Note No. 35 B of the Notes forming part of the Financial Statements in the Annual Report.
- b. There are no transactions which may have potential conflict with the interest of the Company.
- c. The Company has complied with all the mandatory requirements prescribed under Clause 49 of the Listing Agreement.
- d. The Company is publishing un-audited financial results.
- e. The Board members are having adequate experience and expertise to deal with the business matters.
- f. The Company has installed an internal policy for its Employees to ensure free access to information and transparency in operations.
- g. The Board has noted and reviewed the Compliance report of all laws applicable to the Company, which were placed before each of its meetings held during the year.
- h. The financial statements for the year 2013-14 have been prepared in accordance with applicable Accounting Standards prescribed by the Institute of Chartered Accountants of India and there are no deviations.
- i. Secretarial Audit: A qualified Practicing Company Secretary carried out secretarial audit during the year on a quarterly basis to reconcile the total admitted capital and the total issued and listed capital. The secretarial audit report confirms that the total paid up capital is in agreement with the total number of shares in physical form.
- j. The Company does not have any subsidiary company as on 31st March, 2014.

WHISTLE BLOWER POLICY AND AFFIRMATION

The company has installed an internal policy for its employees to ensure free access to information and transparency in operations. The company places great reliance on proper and ethical business practices. Employees are encouraged to report unethical practices freely to the Audit Committee and top management without fear of victimization or any other repressive measures.

The company hereby affirms that it has not denied any personnel access to the Audit Committee (in respect of matters involving alleged misconduct), and that it has provided protection to the 'Whistle Blowers' from unfair termination and other unfair or prejudicial employment practices.

CODE OF CONDUCT

The Company has framed and adopted a Code of Conduct, which is approved by the Board of Directors of the company. The code is applicable to all directors and senior management of the company. This Code has been posted on the Company's website www.mivenmachinetools.in. During the year under review, all directors and senior management have confirmed their adherence to the provisions of the said code.

Compliance of Non-mandatory requirements under Corporate Governance :

The company has taken cognizance of the non-mandatory requirements mentioned at Annexure IC of the Corporate Governance provisions. The company has constituted a Remuneration Committee with 3 non-executive directors to examine and recommend to the Board on all aspects of remuneration package to the executive directors. A Whistle Blower Policy has also been approved and has been implemented. The company is committed to implementation of other non-mandatory requirements as and when found appropriate.

Equity Shares in the Suspense Account

There are no equity shares lying in the Suspense Account.

Transfer of Unpaid/Unclaimed amounts to Investor Education and Protection Fund

There is no amount lying in unpaid/unclaimed dividend which requires transfer to the Investor Education and Protection Fund.

8. MEANS OF COMMUNICATION :

The quarterly results were published in The Hindu - Business Line, and Hosa Digant & Udaya Vani in vernacular language. The quarterly un-audited financial results during the financial year 2013-2014 were published as detailed below.

Quarter (F.Y.2013-14)	Date of Board Meeting	Date of publication	Name of the News Paper
1	14-08-2013	15-08-2013	The Hindu - Business Line and Hosa Digant
2	08-11-2013	10-11-2013	The Hindu - Business Line and Hosa Digant
3	11-02-2014	13-02-2014	Business Standard and Hosa Digant
4	29-05-2014	01-06-2014	Business Standard and Hosa Digant

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REPORT ON CORPORATE GOVERNANCE (Contd....)

For the year ending 31st March, 2014, results will be announced as per time schedule specified below (subject to changes).

June End - August 15, 2014	: First quarter
September End - November 15, 2014	: Second quarter/Half Yearly
December End - February 15, 2015	: Third quarter
March End - May 15, 2015	: Fourth quarter/Yearly audited results.

The Company has its own web-site at www.mivenmachinetools.in

The Management Discussion and Analysis Report is separately annexed forming part of the Directors' Report.

9. SHAREHOLDERS' INFORMATION (GENERAL)

General information to shareholders is furnished below:

Company Registration :

The Company is registered in the State of Karnataka, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L29220KA1985PLC007036.

Annual General Meeting :

The Annual General Meeting of the Company for the financial year ending 31st March, 2014, will be held on Saturday, the 27th September, 2014 at 3:30 P.M., at the registered office of the Company at Tarihal Industrial Area, Tarihal, Hubli.

Financial year : 1st April to 31st March.

Book Closure :

The Register of Members and Share Transfer Books will be closed from September 23, 2014 to September 27, 2014 (both days inclusive).

Dividend :

In view of the loss for the year and the unabsorbed accumulated losses of the earlier years, your directors regret their inability to recommend dividend for the year under report.

Listing :

The Company's shares are listed on the Bombay Stock Exchange Limited, Delhi Stock Exchange Limited and Bangalore Stock Exchange Limited. The company has paid listing fees for the year 2014-2015 (at the applicable rates) to Bombay, Bangalore and Delhi Stock Exchanges.

The scrip code at Bombay Stock Exchange Limited is 522036.

Market Price Data

The Monthly Highest and Lowest prices at which the Company's shares were traded :

During the year 2013-14, the equity shares of your company were not traded in any of the stock exchanges in which the shares are listed.

Performance in comparison to broad based indices such as BSE Sensex, CRISIL index etc.

In view of the lack of trading in the scrip, no performance comparison with other broad based indices is possible.

Registrar and Transfer Agents:

BgSE Financials Limited

Stock Exchange Towers, No.51, 1st Cross, J.C.Road, Bangalore - 560 027

Contact Person : Mr. Nagesh Rao R, Manager - Operations (RTA)

Share Transfer System :

BgSE Financials Limited, Stock Exchange Towers, No.51, 1st Cross, J.C.Road, Bangalore - 560 027 is the Registrar and Transfer Agents of the company for both physical and dematerialized segment.

Since the company's shares can be traded only in demat form, share holders would be required to sent their physical share certificates, Demat Request Forms etc, directly to the Share Transfer Agent to dematerialize their shares.

The Company had already intimated to the Share Holders on 12.09.2013 and 27.01.2014 that the equity shares of the company can be converted into electronic mode as the company has been allotted INE338P01014 as the ISIN by NSDL.

All communications regarding share holding, transfer/transmission of shares, change of address, mandates or for any other purpose concerning your shares may kindly be addressed to BgSE Financials Limited Stock Exchange Towers, No.51, 1st Cross, J.C.Road, Bangalore - 560 027.

Distribution of shareholding as on 31-03-2014:

Nominal Value of Shares (Rs.)	Number of Shareholders	Share Amount	
		In Rupees	% to Paid-Up Capital
Up to 5000	1987	28,28,500	9.421
5,001 - 10,000	48	3,59,000	1.195
10,001 - 20,000	08	1,17,000	0.390
20,001 - 30,000	02	42,000	0.140
30,001 - 40,000	03	1,00,000	0.333
40,001 - 50,000	00	-	-
50,001 - 1,00,000	01	77,000	0.256
1,00,001 & above	04	2,65,10,500	88.265
TOTAL	2053	3,00,35,000	100.000

MIVEN MACHINE TOOLS LIMITED

REPORT ON CORPORATE GOVERNANCE (Contd....)

Dematerialization of shares

As on 31.03.2014, 87.40% of the company's total shares representing 26,24,850 (Including 25,88,650 equity shares belonging to promoter and promoter group) were held in dematerialized form and the balance 12.60% representing 3,78,650 shares were held in physical mode.

Delisting of Shares

The company had received a letter dated May 27, 2013 from the Promoters stating their intention to seek voluntary delisting of the equity shares of the company from Bangalore Stock Exchange Ltd, Bombay Stock Exchange Ltd and Delhi Stock Exchange Ltd by offering to acquire the public share holding.

As the Promoter Group holding was in excess of 75%, SEBI had issued a show cause notice ref. no. WTM/PS/08/CFD/June/2013 dt. June 4, 2013 prohibiting, inter alia, the promoter and promoter group and directors from buying or dealing in the securities of the company. The company is hopeful that the order would be modified which would permit the promoters to acquire the requisite public shareholding and enable delisting of securities from all stock exchanges.

Pursuant to Regulation 8(1) (b) of the SEBI (Delisting of Equity shares) Regulation, 2009, approval of the public share holders of the company by special resolution passed through Postal Ballot is essential for a company to voluntarily delist its equity shares from all the Stock Exchanges where the shares are listed. Accordingly, vide Scrutinizer's Report dated October 29, 2013, the resolution for Delisting of the equity shares was approved with requisite majority. Subject to necessary statutory approvals, the company and the promoters will take steps for implementing the same in accordance with the SEBI (Delisting of Equity shares) Regulations, 2009.

Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity.

Except Equity Shares, no other instrument has been issued by the company.

Plant location (also the Registered Office) :

Tarihal Industrial area, Tarihal, Hubli 580 026 (Karnataka)

Address for correspondence:

V.N.Hasalkar,

Company Secretary,

Miven Machine Tools Limited,

Tarihal Industrial Area,

Tarihal, Hubli-580 026,

Karnataka.

General :

Members of the Company may nominate a person to whom share(s) held by such Member/s, shall vest in the event of the death of such Member/s, copies of the Nomination Forms can be obtained from the company on request.

Compliance Officer and address for communication:

V. N. Hasalkar, Company Secretary, is the Compliance Officer. In case any member wishes to seek any clarification regarding shares, share transfers, etc., he may write to the Company Secretary at the Registered Office of the Company at Miven Machine Tools Limited, Tarihal Industrial Area, Tarihal, Hubli - 580 026. (Phone No. 0836 - 2212221-24, Fax 0836-2310411) or email him at mmtsecretarial@gmail.com.

10.CEO/CFO CERTIFICATION

As required under sub-clause (v) of Clause 49 of the Listing Agreement, the Company has obtained a Certificate from A. R. Menon, Executive Director and S. G. Gadagkar, Unit Manager (Accounts) confirming compliance of the aforesaid clause.

11.CERTIFICATE FROM AUDITORS ON COMPLIANCE WITH CORPORATE GOVERNANCE PROVISIONS :

In compliance with sub-clause (vii) of the Corporate Governance provisions prescribed under Clause 49 of the Listing Agreement, the required Certificate from Auditors certifying compliance with Corporate Governance provisions is annexed to this report.

For and on behalf of the Board

Pune

Dated 29-05-2014

VIKRAM R. SIRUR

Executive Chairman

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CERTIFICATE OF THE AUDITORS IN RESPECT OF COMPLIANCE OF CORPORATE GOVERNANCE

To,

The Members of

Miven Machine Tools Ltd., Hubli

We have examined the compliance of conditions of Corporate Governance by Miven Machine Tools Ltd., Hubli for the year ended 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

The Company is publishing the quarterly results in the newspapers as required by the stock exchanges.

In our opinion and to the best of our information and according to the explanations given to us and representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

Date : 29th May, 2014

Place : Pune

For B.K. Ramadhyani & Co
Chartered Accountants
Firm Registration No. 002878 S

C.A. C. R. DEEPAK
Partner
Membership No. 215398

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

a) Industry structure & development :

Our industry comes under the purview of 'General Engineering Industry' in general and 'Machine Tool Industry' in particular. We manufacture CNC Horizontal Turning Lathes of 6" and above and our product falls under the Capital Goods Industry.

The market for CNC lathes is estimated at 7000 machines for the financial year 2014-15. Considering the size of the machine we manufacture, we estimate it at 5% of this market, i.e. 350 machines and our company's share is 8% of this niche market i.e. 28 machines.

b) Opportunities and Threats:

The auto components sector is expected to maintain its performance. However, rising interest costs witnessed by the economy is expected to slow down its growth rate this year. Our machines are also used in defence, process control and other allied industries, which are showing signs of improvement.

Defence and Steel manufacturing companies have come-up with tenders to participate in their inquiries. There are exciting opportunities for improved sale of our products to the private sector and your company has commenced aggressive marketing efforts in this direction.

Due to increase in demand, many competitors are entering the field and are posing serious competition in pricing pattern.

The threat is from imported machinery (new and second hand), large working capital needs and reduced customs duty on imported machinery which affects the margin on your machines.

c) Segment-wise or product-wise performance:

Your company manufactures only one type of product, i.e. CNC Turning Machine and Ancillary Machines. Hence we have only one segment.

During the year under report, we manufactured and sold 13 machines valued at Rs. 673.36 lakhs (excluding excise duty).

d) Outlook :

The current year looks to be good. Your company has established sound market acceptability for its product as is evidenced by the Company receiving repeat orders from existing customers despite showing competition. The company is exploring alternative product lines to ensure improved sales and better margins.

e) Risks and Concerns :

Rising input costs pose a real challenge to profitability. Delay by customers in pre-acceptance and final trials prior to shipment has created adverse liquidity situation by way of higher inventory costs getting locked up specifically from government sector customers.

f) Internal control systems and their adequacy:

The company has a proper and adequate system of controls in order to ensure that all assets are safeguarded against loss from unauthorized use or disposition and that all transactions are checked, verified and recorded correctly.

Regular internal audit system is in place to ensure that internal control systems are working satisfactorily.

g) Discussion on Financial performance :

The financial statements have been prepared in accordance with the Companies Act, 1956, and are in accordance with Accounting Standards. The Company's financial performance is detailed in the Directors' Report.

h) Human Resources :

The company continues its policy of upgrading employee skills by deputing them to various training programs, seminars and workshops conducted by eminent authorities. The company's policy is to ensure optimum utilization of manpower.

As on 31st March, 2014, the total number of salaried employees stood at 30. The Employer - Employee Relations were cordial throughout the year.

For and on behalf of the Board

Pune
Dated 29-05-2014

VIKRAM R. SIRUR
Executive Chairman

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AUDITOR'S REPORT TO THE MEMBERS OF MIVEN MACHINE TOOLS LIMITED, HUBLI

Report on the financial statements :

We have audited the attached Balance Sheet of Miven Machine Tools Limited ("the Company"), Hubli as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the period ended on that date and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the financial statements :

Management is responsible for the preparation of these 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 standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility :

Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of

accounting policies used and the reasonableness of accounting estimates made by management, 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 audit opinion.

Basis of Qualified Opinion :

We have relied on the representation of the Company that the amount due from a customer as referred to in note 21 (iii) of Rs. 1,457,586/- is good of recovery and no provision is required in respect of the claims made by the customer of Rs. 7,348,629/-. Pending completion of legal proceedings and in view of uncertainties involved, we are unable to form any opinion on the matter. Effect of any shortfall in provision for doubtful debts due to the above on the financial statements is 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 effects of the matters described in the Basis of Qualified Opinion paragraph, the said financial statements give the information as 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;

a. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014

b. In the case of the Statement of Profit and Loss, of the loss for the year ended on that date, and

c. In the case of the cash flow statement, of the cash flows for the year ended on that date.

Emphasis of Matter :

Attention of the members is invited to note 32 of the financial statement regarding reasons for preparing the financial statements of the Company on going concern basis, not with standing the fact that networth of the Company is completely eroded. The appropriateness of the said basis is interalia dependent on the Company's ability to execute sale orders and the support of the Company's bankers and the Holding Company. We have also relied on the representation of the Company in this respect.

MIVEN MACHINE TOOLS LIMITED

AUDITOR'S REPORT TO THE MEMBERS OF MIVEN MACHINE TOOLS LIMITED, HUBLI (Contd....)

Report on other legal & regulatory requirements:

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") as amended, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227 (3) of the Act, we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet and Statement of Profit and Loss dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Statement of Profit & Loss and Cash Flow statement dealt with by this report comply with the accounting standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
 - e. On the basis of written representations received from the directors, as on March 31, 2013 and taken on record by the board of directors, we report that none of the directors is disqualified as on March 31, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Act, nor has issued any rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

Date : May 29th, 2014

Place : Pune

For B.K. Ramadhyani & Co
Chartered Accountants
Firm Registration No. 002878 S

C.A. C. R. DEEPAK
Partner
Membership No. 215398

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ANNEXURE REFERRED TO

IN PARA 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF MIVEN MACHINE TOOLS LIMITED

1. a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. These assets have been physically verified by the management as per programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Discrepancies noticed on such verification have been appropriately adjusted in the books of account.
- c. In our opinion, there are no substantial disposal of fixed assets during the year and hence clause 4(i)(c) of the Order is not applicable.
2. a) Inventories other than those lying with the third parties have been physically verified during the year by the management. In our opinion, the frequency of the verification is reasonable.
- b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory in respect of raw materials and components, finished goods and material lying with the third parties. Work in progress at the factory is as per the physical inventory. Material lying with third parties amounting to Rs.510,678/- included in raw materials and components are subject to confirmation. The discrepancies noticed on verification between physical stocks and book records other than work in progress at the factory were not material. Discrepancies in respect of work in progress, if any, are not ascertainable.
3. a) The Company has taken loans from a Director of the Company Rs.3,775,000/-, its holding Company Rs.9,308,841/-and Companies in which Directors are interested Rs.34,270,128/-. The terms and Conditions of such loans are prima facie, not prejudicial to the interest of the Company. The maximum amount due and outstanding at the end the year from all the parties was Rs.47,353,969/-. There are no stipulations for repayment of the above loan and there is no interest obligation on loan from directors and certain companies in which directors are interested. However, there were delays in repayment of interest to parties stated above for certain months and were in arrears to an extent of Rs.5,313,369 as at March 31, 2014.
- b. The Company has not granted any loans to companies covered in the register maintained under section 301 of the Act hence clause 4 (iii) (a) to (d) of the Order is not applicable
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to sale of goods & services, purchase of goods and fixed assets during the year. We have not observed any continuing failure on the part of the Company to correct major weakness in internal control.
- 5.a. According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements that need to be entered during the year, into the register maintained under section 301 of the Act have been so entered.
- b. According to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Act and exceeding the value of rupees five Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time. However, these materials are customised to the requirements

MIVEN MACHINE TOOLS LIMITED

ANNEXURE TO THE AUDITORS' REPORT (Contd..)

(As referred to in para 3 of our Report to the Members of Miven Machine Tools Limited, Hubli)

- of the Company and there are no similar transactions with third parties to confirm the same.
6. The Company has not accepted any deposits from the public during the year as referred to in sections 58A & 58AA of the Act and the Companies (Acceptance of Deposits) Rules, 1975, hence clause 4 (vi) of the Order is not applicable.
 7. In our opinion, the Company has an internal audit system commensurate with its size and nature of the business.
 8. We have broadly reviewed the Cost Records maintained by the Company as prescribed by the Central Government under clause (d) of sub section (1) of 209 of the Act and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not made a detailed examination to ensure their accuracy or completeness.
 - 9.a. According to the information and explanation given to us there were delays in depositing with appropriate authorities undisputed statutory dues relating to Employee Provident Fund, Employees' State Insurance, Income Tax deducted at Source and Property Tax. However, there were no material delays in remittance of value added tax, Excise duty, Service tax, Customs duty, sales tax or other applicable statutory dues of material value. According to the information and explanations given to us, remittances to Investor Education and Protection Fund and Wealth Tax are not applicable.
 - b. According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Service Tax, Sales Tax, Provident Fund, Investor Protection Fund, Employees State Insurance, Customs Duty, Excise Duty, Service Tax, Cess or other statutory dues of material value were in arrears, as at March 31, 2014 for a period of more than six months from the date on which they became payable except for interest on fringe benefit tax for the assessment year 2008 - 09 amounting to Rs.51,467/-.
 - c. According to the information and explanation given to us there are no dues in respect of Sales Tax, Income Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited on account of any dispute. As detailed in Note 21 (v) of the financial statements property tax and penalty relating to prior years amounting to Rs.25,128,186/- has not been provided or deposited pending finalisation of the matter.
 10. In our opinion, the accumulated losses of the Company are more than fifty percent of its net worth. The Company has incurred cash losses of Rs.15,038,290 /- in respect of year under report and Rs.11,178,000/- in respect of the preceding financial year.
 11. In our opinion and according to the information and explanations given to us, the Company has defaulted in repayment instalment of Rs.1,197,697 on term loan and interest of Rs.587,628 for the month of February and March 2014 to a bank. The Company has not taken any loans from financial institutions or issued any debentures.
 12. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities and hence clause 4 (xii) of the Order is not applicable to the Company.
 13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/ society. Therefore, clause 4(xiii) of the Order is not applicable to the Company.
 14. In our opinion the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, clause 4(xiv) of the Order is not applicable to the Company.
 15. The Company has not given guarantees for loans taken by others from banks or financial

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ANNEXURE TO THE AUDITORS' REPORT (Contd..)

(As referred to in para 3 of our Report to the Members of Miven Machine Tools Limited, Hubli)

institutions and hence clause 4(xv) of the Order is not applicable.

16. According to the information and explanations given to us and in our opinion, the term loan taken from the bank during the year was utilised for the purpose for which the same was taken.
17. According to the information and explanations given to us and on an overall examination of the balance sheet and cash flows of the Company, we report that funds raised on short-term basis have been used for long term investment during the year to an extent of Rs.26,234,093/-.
18. According to the information and explanations given to us, the Company has not issued any

capital during the year. Accordingly paragraph 4(xviii) of the Order is not applicable.

19. According to the information and explanations given to us, there are no debentures issued by the Company and hence clause 4(xix) of the Order, regarding creation of securities is not applicable.
20. The Company has not made any public issue during the year and hence clause 4(xx) of the Order regarding end use of money is not applicable.
21. According to the information and explanations given to us, no fraud on or by the Company during the year has been noticed or reported during the course of our audit.

Date : May 29th, 2014
Place : Pune

For B.K. Ramadhyani & Co
Chartered Accountants
Firm Registration No. 002878 S

C.A. C. R. DEEPAK
Partner
Membership No. 215398

MIVEN MACHINE TOOLS LIMITED

**BALANCE SHEET
AS AT MARCH 31, 2014**

Particulars	Note No.	As at March 31, 2014		As at March 31, 2013	
		Rs.	Rs.	Rs.	Rs.
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share Capital	2	30,035,000		30,035,000	
(b) Reserves and Surplus	3	(99,939,106)		(83,606,470)	
			(69,904,106)		(53,571,470)
(2) Non - current liabilities					
(a) Long term borrowings	4	64,126,422		58,063,474	
(b) Long term provisions	6	1,657,250		1,774,704	
			65,783,672		59,838,178
(3) Current Liabilities					
(a) Short term borrowings	7	16,952,207		40,329,608	
(b) Trade payables	8	49,378,233		26,290,942	
(c) Other current liabilities	9	46,350,033		40,646,472	
(d) Short term provisions	10	173,502		157,093	
			112,853,975		107,424,115
TOTAL			108,733,541		113,690,823
II. ASSETS					
(1) Non - current assets					
(a) Fixed Assets					
(i) Tangible assets	11	11,532,734		13,397,149	
(ii) Capital work in progress	12	2,056,600		-	
(b) Non - current investments	13	50,000		50,000	
(c) Long term loans and advances	14	7,066,739		5,567,543	
(d) Other non current assets	15	1,457,586		1,457,586	
			22,163,659		20,472,278
(2) Current Assets					
(a) Inventories	16	71,974,888		67,162,488	
(b) Trade receivables	17	10,580,277		18,262,249	
(c) Cash and bank balances	18	2,263,759		2,475,090	
(d) Short term loans and advances	19	1,661,357		5,300,762	
(e) Other Current Assets	20	89,601		17,956	
			86,569,882		93,218,545
TOTAL			108,733,541		113,690,823
Significant accounting policies and notes forming part of the financial statements	1 to 38				

In Accordance with our Report attached
B.K. Ramadhani & Co.
Chartered Accountants
FRNo. 02878S

C.R.Deepak
Partner
Membership No : 215398

Pune
Date: May 29, 2014

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

Vikram R. Sirur
Executive Chairman

A R Menon
Executive Director

Sanjay B Baljekar
Director

V N Hasalkar
Company Secretary

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STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED MARCH 31, 2014

Particulars	Note No.	CURRENT YEAR		PREVIOUS YEAR	
		Rs.	Rs.	Rs.	Rs.
I. Revenue from Operations	22		66,093,884		67,679,198
II Other Income	23		1,242,134		211,435
III Total revenue (I + II)			67,336,018		67,890,633
IV Expenses					
Cost of materials consumed	24	44,123,314		69,576,977	
Purchases of stock in trade					
Changes in inventories of finished goods, work in progress and stock in trade	25	(434,357)	43,688,957	(23,160,279)	46,416,698
Employee benefits expense	26		8,265,779		8,668,749
Finance Costs	27		14,306,982		10,299,008
Depreciation and amortization expense	28		1,214,346		1,212,567
Other expenses	29		16,192,590		13,684,178
Total Expenses			83,668,654		80,281,200
V Loss before tax (III-IV)			16,332,636		12,390,567
VI Tax expense:					
(1) Current tax			-	-	-
(Prior year tax withdrawn)			-	-	-
(2) Deferred tax			-	-	-
VII Loss for the year (V + VI)			16,332,636		12,390,567
VIII Loss per equity share: Basic and Diluted	31		5.44		4.13
Significant accounting policies and notes forming part of the financial statements	1 to 38				

In Accordance with our Report attached
B.K. Ramadhyani & Co.
Chartered Accountants
FRNo. 02878S
C.R.Deepak
Partner
Membership No : 215398

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

Vikram R. Sirur
Executive Chairman

Sanjay B Baljekar
Director

A R Menon
Executive Director

V N Hasalkar
Company Secretary

Pune
Date: May 29, 2014

**CASH FLOW STATEMENT
FOR THE YEAR ENDED MARCH 31, 2014**

Particulars	CURRENT YEAR		PREVIOUS YEAR	
	Rs.	Rs.	Rs.	Rs.
Cash flows from operating activities				
Loss before taxation		(16,332,636)		(12,390,567)
Adjustments for:				
Depreciation and amortization expense	1,214,346		1,212,567	
Provisions	(30,605)		252,566	
Interest received	(170,802)		(67,860)	
Dividends received	(6,000)		(6,000)	
Finance costs	14,306,982		10,299,008	
		15,313,921		11,690,281
		(1,018,715)		(700,286)
(Increase)/ decrease in inventories	(4,812,400)		(23,044,355)	
(Increase)/ decrease in trade receivables	7,681,972		(9,832,684)	
(Increase)/ decrease in Loans & advances	2,144,676		(5,742,494)	
Increase/ (decrease) in trade payables & other liabilities	24,822,655		164,115	
		29,836,903		(38,455,418)
		28,818,188		(39,155,704)
Income taxes paid		74,907		201,931
Net cash from operating activities		28,743,281		(39,357,635)
Cash flows from investing activities				
Purchase of property, plant and equipment	(2,360,455)		(235,548)	
Proceeds from refund of excess land consideration	953,924			
(Increase)/decrease in margin money with banks	(323,635)		(166,405)	
Interest received	99,157		102,842	
Dividend received	6,000		6,000	
Net cash from investing activities		(1,625,009)		(293,111)
Cash flows from financing activities				
Increase/(Decrease) in short term borrowings	(23,377,401)		34,833,795	
Proceeds from long term borrowings	13,065,128		17,980,000	
Repayment of long term borrowings	(4,806,399)		(5,454,470)	
Interest paid	(12,534,566)		(8,445,533)	
Net cash from financing activities		(27,653,238)		38,913,792

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**CASH FLOW STATEMENT
FOR THE YEAR ENDED MARCH 31, 2014**

Particulars	CURRENT YEAR		PREVIOUS YEAR	
	Rs.	Rs.	Rs.	Rs.
Net increase/(decrease) in cash and cash equivalents		(534,966)		(736,954)
Cash and cash equivalents at beginning of year		973,258		1,710,212
Cash and cash equivalents at close of year		438,292		973,258

Cash & Cash equivalents:

Cash and cash equivalents consist of cash on hand and balances with banks. Cash and cash equivalents included in the statement of cash flows comprise the following amounts in the balance sheet:

Cash and bank balances	2,263,759	2,475,090
Less: Margin money with banks	1,825,467	1,501,832
Cash and cash equivalents as reported	438,292	973,258
Effect on exchange rate changes		
Cash and cash equivalents as restated	438,292	973,258

In Accordance with our Report attached
B.K. Ramadhyani & Co.
Chartered Accountants
FRNo. 02878S

C.R.Deepak
Partner
Membership No : 215398

Pune
Date : May 29, 2014

For and on behalf of the Board of Directors of
MIVEN MACHINE TOOLS LIMITED

Vikram R. Sirur
Executive Chairman

Sanjay B. Baljekar
Director

A R Menon
Executive Director

V N Hasalkar
Company Secretary

MIVEN MACHINE TOOLS LIMITED

WORKINGS FOR CASH FLOW STATEMENT

For the year ended 2013-14

Particulars	Amount Rs.	Amount Rs.
(Increase) / decrease in Loans & advances		
Long term loans & advances as at 31.03.2014	7,066,739	
Current loans & advances as at 31.03.2014	1,661,357	
	8,728,096	
Less :		
Advance payment of tax	106,798	
		8,621,298
Long term loans & advances as at 31.03.2013	5,567,543	
Current loans & advances as at 31.03.2013	5,300,762	
	10,868,305	
Less :		
Advance payment of tax	102,331	
		10,765,974
		2,144,676
Increase/ (decrease) in trade payables & other liabilities		
Trade payables as at 31.03.2014	49,378,233	
Other current liabilities as at 31.03.2014	46,350,033	
	95,728,266	
Less :		
Current maturities	8,879,059	
Interest accrued and due on borrowings	5,900,997	
	14,780,056	
		80,948,210
Trade payables as at 31.03.2013	26,290,942	
Other current liabilities as at 31.03.2013	40,646,472	
	66,937,414	
Less :		
Current maturities	6,683,278	
Interest accrued and due on borrowings	4,128,581	
	10,811,859	
		56,125,555
		24,822,655
Interest received		
Interest received as per P & L A/c		170,802
Adjustment:		
Interest accrued as at 31.03.2014	89,601	
Interest accrued as at 31.03.2013	17,956	
		71,645
		242,447
Interest paid		
Interest paid as per P & L		14,306,982
Interest accrued as at 31.03.2014	4,128,581	
Interest accrued as at 31.03.2013	5,900,997	
		(1,772,416)
		12,534,566
Proceeds from long term borrowings :		
Longterm borrowings as at 31.03.2014	64,126,422	
Add: Current maturities	8,879,059	
		73,005,481
Longterm borrowings as at 31.03.2013	58,063,474	
Add: Current maturities	6,683,278	
		64,746,752
		8,258,729

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2014**

1. 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. FIXED ASSETS :

Fixed assets are stated at cost of acquisition inclusive of freight, duties, taxes and incidental expenses relating to acquisition, installation, erection and commissioning less depreciation.

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

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 realisable 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. DEPRECIATION :

Depreciation on all assets excepting vehicles and computers are charged on the straight-line method as contemplated in Section 205 (2) (b) of the Companies Act, 1956. Depreciation on vehicles

has been charged on the Written Down Value method as contemplated Under Section 205 (2) (a) of the Companies Act, 1956. Depreciation rates are in accordance with Schedule XIV of Companies Act, 1956 except in respect of computers. Depreciation on computers is charged on straight line method at 33.33% p.a.

f. RESEARCH AND DEVELOPMENT EXPENDITURE :

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

g. 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.

h. 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.

i) 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 Profit and Loss Account. 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 Profit and Loss Account.

j) 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, exgratia etc. are recognised in the period in which the employee renders the related service.

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2014

(ii) Post Employment Benefits:

a) Defined Contribution Plans:

The Company has contributed to Provident, Pension, EDLI & Superannuation Funds which are defined 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 profit and loss account immediately. Leave encashment is a defined benefit plan and is provided on accrual basis as per actuarial valuation.

k) 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 by the Balance Sheet date. However, deferred tax assets are recognised only if future profits are virtually certain.

l) 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.

m) 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 Profit & Loss account to the extent the carrying amount exceeds the recoverable amount.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	As at March 31, 2014		AS AT MARCH 31, 2013	
	Number	Rs.	Number	Rs.
2. SHARE CAPITAL				
Authorized :				
Equity shares of Rs. 10/- each	5,000,000	50,000,000	5,000,000	50,000,000
		50,000,000		50,000,000
Issued, subscribed and fully paid up:				
Equity shares of Rs. 10/- each				
At the beginning of the year	3,003,500	30,035,000	3,003,500	30,035,000
At the close of the year	3,003,500	30,035,000	3,003,500	30,035,000

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

2,588,150	25,881,500	2,588,150	25,881,500
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- 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	2,588,150	86.17%	2,588,150	86.17%

3. RESERVES AND SURPLUS

Particulars	As at March 31, 2014	As at March 31, 2013
i) Capital Reserve		
As at the beginning of the year	1,527,500	1,527,500
As at the close of the year	<u>1,527,500</u>	<u>1,527,500</u>
ii) Surplus (Deficit)i.e. balance in Statement of Profit & Loss		
As at the beginning of the year	(85,133,970)	(72,743,403)
Add:		
Loss for the year	(16,332,636)	(12,390,567)
As at the close of the year	<u>(101,466,606)</u>	<u>(85,133,970)</u>
Total carried to Balance Sheet	<u>(99,939,106)</u>	<u>(83,606,470)</u>

MIVEN MACHINE TOOLS LIMITED

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2014**

Particulars	As at March 31, 2014	As at March 31, 2013
4 Long term Borrowings		
1) Secured Loans:		
a. Term Loans from a bank	14,561,628	16,784,490
b. Working capital term loan from a bank	11,089,884	13,673,421
	25,651,512	30,457,911
Less:		
Current maturities	8,879,059	6,683,278
	16,772,453	23,774,633
2) Unsecured Loans :		
a. Loans and advances from related parties	47,353,969	34,288,841
	47,353,969	34,288,841
3) Total long term borrowings (1+2)	64,126,422	58,063,474

Additional Information :

- a. Details of security for secured loans
- i) Term Loans from a bank are secured against Equitable mortgage of Land and Building and Hypothecation of Plant and Machineries of the Company.
- ii) Working capital term loan is secured against Hypothecation of stock and book debts upto 150 days and additionally secured by land and building.
- b. Loans have been guaranteed by directors or others
Term loans & working capital term loan are guaranteed by the personal guarantee of the Chairman of the Company and corporate guarantee of the Holding Company. **25,651,512** 30,457,911
- c Terms of repayment of term loans and others :**
- i) Term loans from bank are repayable in 60 equated monthly instalments of Rs.4,24,292/- per month.
- ii) Working capital demand loan is repayable in 60 equated monthly instalments of Rs.4,70,241/- per month.
- iii) No specific repayment has been specified for loans taken from related party, which carry an interest ranging from 10% - 12%

	As at March 31, 2014		As at March 31, 2013	
d Period and amount of default as on the balance sheet date in respect of loans and interest	Amount	Period	Amount	Period
Term loan from bank				
- Installment overdue	1,197,697	From Feb-14 to Mar-14	546,145	Mar-13
- Interest overdue	587,628	From Feb-14 to Mar-14	364,506	Mar-13
 e Term loan and WCTL from bank carry interest of 14% p.a.				

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**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2014**

Particulars	As at March 31, 2014	As at March 31, 2013
5 Deferred tax Asset		
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)	1,545,674	1,526,570
ii) Deferred tax liability :		
a) On account of depreciation on fixed assets	1,545,674	1,526,570
Net Deferred tax (liability)/asset	-	-
6 Long term Provisions		
a) Provisions for Gratuity - Employees	918,032	1,182,597
b) Provisions for Gratuity - Directors	313,700	270,431
c) Provisions for Compensated absence	425,518	321,676
Total carried to Balance Sheet	1,657,250	1,774,704
7 Short term Borrowings		
Secured Loans:		
a) Loans repayable on demand		
- Working capital loans from bank	16,952,207	40,329,608
	16,952,207	40,329,608
Total carried to Balance Sheet	16,952,207	40,329,608

Additional Information :

- i) Details of security for secured loans
 - a. Working capital loans are secured against Hypothecation of stocks and book debts upto 150 days and further, the loans are guaranteed by the Chairman of the Company and corporate guarantee of the holding Company.
 - b. Interest on secured loan carry an interest of 14% p.a.

Particulars	As at March 31, 2014	As at March 31, 2013
8 Trade Payables		
i) To Micro, Small and Medium Enterprises	7,128,312	4,433,921
ii) Others	42,249,921	21,857,021
Total carried to Balance Sheet	49,378,233	26,290,942

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:

MIVEN MACHINE TOOLS LIMITED

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2014**

Particulars	As at March 31, 2014	As at March 31, 2013
1 Principal amount due and remaining unpaid	7,128,312	4,433,921
2 Interest due on (1) above and the unpaid interest	2,346,214	1,904,856
3 Payment made beyond the appointed day during the year	431,056	1,815,833
4 Interest due and payable for the period of delay other than (3) above	2,346,214	1,904,856
5 Interest accrued and remaining unpaid	2,346,214	1,904,856
6 Amount of further interest remaining due and payable in succeeding years	2,346,214	1,904,856

Particulars	As at March 31, 2014	As at March 31, 2013
9 Other current liabilities :		
a) Current maturities of long term debt	8,879,059	6,683,278
b) Interest accrued and due on borrowings	5,900,997	4,128,581
c) Advance from customers	18,059,890	19,354,744
d) Other liabilities	13,201,609	10,198,355
e) Statutory remittances	308,478	281,514
Total carried to Balance Sheet	46,350,033	40,646,472
10 Short term provisions :		
a) Provision for Tax	51,467	121,907
b) Provisions for Compensated absence	122,035	35,186
Total carried to Balance Sheet	173,502	157,093

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

11. FIXED ASSETS :

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at April 1, 2013	Additions for the Year Deductions	Deductions during the year	As at March 31, 2014	As at April 1, 2013	For the year	Deduction	As at March 31, 2014	As at March 31, 2014	As at March 31, 2013
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Tangible Assets										
Own assets										
Land	2,858,990	-	953,924	1,905,066	-	-	-	-	1,905,066	2,858,990
Buildings	14,221,218	-	-	14,221,218	10,878,306	474,989	-	11,353,295	2,867,923	3,342,912
Machinery and Equipment	15,770,827	-	-	15,770,827	10,158,357	480,911	-	10,639,268	5,131,559	5,612,470
Furniture & Fixtures	1,161,688	-	-	1,161,688	655,668	47,994	-	703,662	458,026	506,020
Vehicles	1,136,099	-	-	1,136,099	949,575	48,291	-	997,866	138,233	186,524
Office equipment	927,125	43,819	-	970,944	627,048	26,513	-	653,561	317,383	300,077
Tools and Jigs	1,389,274	97,500	-	1,486,774	1,188,791	44,212	-	1,233,003	253,771	200,483
Computers and Printers	1,483,399	149,432	-	1,632,831	1,458,622	38,877	-	1,497,499	135,332	24,777
Factory Equipments	1,647,163	-	-	1,647,163	1,331,094	42,536	-	1,373,630	273,533	316,069
Electrical Instalation	986,240	13,104	-	999,344	937,413	10,023	-	947,436	51,908	48,827
TOTAL	41,582,023	303,855	953,924	40,931,954	28,184,874	1,214,346	-	29,399,220	11,532,734	13,397,149
Previous Year	(41,346,475)	(235,548)	-	(41,582,023)	(26,972,307)	(1,212,567)	-	(28,184,874)		

Particulars	As at March 31, 2014	As at March 31, 2013
12 Capital work in progress :		
i) Plant and Machinery	2,056,600	-
ii) Building under Construction	-	-
	2,056,600	-

13 Non Current Investments :

DETAILS OF INVESTMENTS	NAME OF THE COMPANY	As at March 31, 2014			As at March 31, 2013		
		No. of Shares	Face Value	Rs.	No. of Shares	Face Value	Rs.
a) Investments in Equity Instruments :							
i) Others (Trade, Unquoted) Equity shares fully paid up	The Shyamrao Vithal Co -op Bank Ltd	2,000	10	50,000	2,000	10	50,000
	Total carried to Balance Sheet			50,000			50,000
Additional Information :							
1) Aggregate value of unquoted investments: Cost				50,000			50,000

MIVEN MACHINE TOOLS LIMITED

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2014**

Particulars	As at March 31, 2014	As at March 31, 2013
14 Long term loans and advances: (Unsecured and considered good)		
i) Security Deposits	337,879	274,386
ii) Input VAT receivable	6,622,062	5,190,826
iii) Advance payment of tax	106,798	102,331
Total carried to Balance Sheet	7,066,739	5,567,543
15 Other non current assets (Unsecured and considered good)		
i) Long term trade receivables	1,457,586	1,457,586
Total carried to Balance Sheet	1,457,586	1,457,586
16 Inventories:		
i) Raw materials	27,781,640	23,604,046
ii) Work in progress	42,050,043	41,615,686
iii) Stores and spares	2,143,205	1,942,756
Total carried to Balance Sheet	71,974,888	67,162,488
17 Trade receivables (Unsecured and considered good)		
i) Trade receivables exceeding six months	1,366,310	1,799,908
ii) Others	9,213,967	16,462,341
Total carried to Balance Sheet	10,580,277	18,262,249
18 Cash and bank balances :		
A Cash and cash equivalents		
i) Balances with banks		
- in other accounts	362,840	851,904
ii) Cash on hand	75,452	121,354
	438,292	973,258
B Other bank balances :		
i) - in margin money, security for borrowings, guarantees and other commitments	1,825,467	1,501,832
	1,825,467	1,501,832
Total carried to Balance Sheet	2,263,759	2,475,090
19 Short term loans and advances: (Unsecured and considered good)		
a) Balance with central excise	30,471	1,591,478
b) Others	1,630,886	3,709,284
Total carried to Balance Sheet	1,661,357	5,300,762

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**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2014**

Particulars	As at March 31, 2014	As at March 31, 2013
20 Other Current Assets		
a) Accrued Interest	89,601	17,956
Total carried to Balance Sheet	89,601	17,956
21 Contingent liabilities and Commitments: (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.	16,374,190	20,349,625
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 claim for which no provision is made since the matter is pending in court. The Company is confident of recovering the dues and that the claim of the customer will not stand.	7,348,629	7,348,629
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	179,157	179,157

- 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.2,51,28,186/- (Rs.2,36,79,570/-) towards tax including penalty of Rs.1,71,09,519/- (Rs.1,56,71,703/-) for the period from 1995 to 2008. However, for the year under report property tax of Rs.1,25,504/- (Rs.1,04,438) has been provided as payable to H D M C. 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.

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, 2014**

Particulars	Current Year	Previous Year
22 Revenue from operations :		
i) Sale of products :		
CNC Turning Machines	69,363,814	61,816,284
Spare Parts	3,868,405	8,630,573
Total	73,232,219	70,446,857
ii) Sale of services	608,869	3,994,070
	73,841,088	74,440,927
Less:		
Excise duty	7,747,204	6,761,729
Total Carried to Statement of Profit & Loss	66,093,884	67,679,198
23 Other Income :		
i) Interest income	170,802	67,860
ii) Dividend Income		
- from long term investments	6,000	6,000
iii) Provision no longer required withdrawn	194,922	-
iv) Other non operating income (net of expenses directly attributable to such income)	870,410	137,575
Total Carried to Statement of Profit & Loss	1,242,134	211,435
24 Cost of materials consumed :		
a) i) Consumption of raw materials	34,313,845	62,318,896
ii) Consumption of stores and spare parts	2,152,337	993,575
iii) Manufacturing Expenses	7,657,132	6,264,506
Total Carried to Statement of Profit & Loss	44,123,314	69,576,977
b) Consumption of major raw materials		
i) CNC package with drives and motors	11,236,304	10,409,206
ii) Base	1,738,844	2,866,251
iii) Way Block	1,727,825	3,113,196
iv) Others	29,420,341	53,188,324
25 Changes in inventories of finished goods, work in progress and stock in trade:		
Stocks at the end of the year		
i) Work in progress		
CNC Turning Machines	34,826,250	33,626,484
Indigenous Components	7,223,793	7,989,202
Total	42,050,043	41,615,686
Less:		
Stocks at the beginning of the year		
i) Work in progress		
CNC Turning Machines	33,626,484	14,140,813
Indigenous Components	7,989,202	4,314,594
Total	41,615,686	18,455,407
Total Carried to Statement of Profit & Loss	(434,357)	(23,160,279)

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**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2014**

Particulars	Current Year	Previous Year
26 Employee Benefit Expenses:		
i) Salaries and wages	6,015,852	5,571,636
ii) Contribution to provident and other funds	782,486	1,139,309
iv) Remuneration to whole time directors	1,228,269	1,195,913
iv) Staff welfare expenses	239,172	761,891
Total Carried to Statement of Profit & Loss	8,265,779	8,668,749
27 Finance Costs :		
i) Interest expense	13,674,763	9,057,437
ii) Other borrowing costs	632,219	1,241,571
Total Carried to Statement of Profit & Loss	14,306,982	10,299,008
28 Depreciation and amortization :		
i) Depreciation	1,214,346	1,212,567
Total Carried to Statement of Profit & Loss	1,214,346	1,212,567
29 Other expenses :		
i) Power and fuel	1,090,679	1,100,863
ii) Repairs to buildings	939,321	-
iii) Repairs to machinery	23,401	182,411
iv) Repairs others	51,452	50,444
v) Insurance	72,562	126,508
vi) Rates and taxes	685,998	917,813
vii) Customer disallowances	1,200,441	-
viii) Payment to the auditors		
- as auditor	95,000	65,000
- for taxation matters	62,000	57,000
- for other services	53,000	28,000
- for reimbursement of expenses	45,934	16,707
ix) Selling expenses	1,497,104	1,668,846
x) Legal and professional charges	539,296	979,460
xi) Directors sitting fees	17,500	25,000
xii) Miscellaneous expenses	292,139	450,825
xiii) Freight Inward	841,096	903,931
xiv) Travelling Expenses		
Directors	494,212	217,411
Employees	1,646,687	1,682,996
Others	833,874	1,143,181
xv) Security Expense	1,253,260	1,145,897
xvi) Vehicle Maintenance	190,353	196,623
xvii) Vehicle Hire charges	86,319	103,055
xviii) Printing and Stationery	437,445	356,613
xix) Communication Charges	430,886	421,337
xx) Estate Maintainance	246,611	238,097
xxi) Membership & Subscription	101,923	69,821
xxii) Advertisement	286,362	186,500
xxiii) Liquidated Damages	2,677,735	1,349,839
Total Carried to Statement of Profit & Loss	16,192,590	13,684,178

MIVEN MACHINE TOOLS LIMITED

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2014**

30 Additional Information :

- a) Value of Imports calculated on CIF basis:
Components and spare parts

1,096,963 6,144,799

b)

SI. No.	Particulars	Amount	% to total	Amount	% to total
i)	Value of imported raw materials, spare parts and components consumed	1,434,402	3.25%	6,862,616	9.86%
ii)	Value of indigenous raw materials, spare parts and components consumed	42,688,911	96.75%	62,714,361	90.14%
		44,123,314	100%	69,576,977	100%

**31 Loss per share:
(Basic & Diluted)**

Particulars	Current Year Rs.	Previous Year Rs.
Loss per share:		
Loss for the year after tax expense	16,332,636	12,390,567
Weighted average number of equity shares	3,003,500	3,003,500
Loss per share	5.44	4.13

32. Considering the business plans made by the Company, improvement in turnover, 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 and not withstanding the erosion of net worth the assumption of 'Going Concern' is not vitiated.

33. Confirmation of balances from certain Sundry Debtors and Sundry Creditors 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	5,69,704	6,08,838
Employer's contribution to superannuation fund	1,35,000	1,35,000

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.

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**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2014**

1.	Reconciliation of opening and closing balances of defined benefit obligation:	Gratuity (funded) (Rs.)	
		As at March 31, 2014	As at March 31, 2013
		Defined Benefit obligation at beginning of the year	20,25,370
Current Service Cost	1,36,116	1,06,135	
Interest Cost	1,56,579	1,20,641	
Actuarial (gain)/ loss	-2,33,458	3,26,206	
Benefits Paid	-3,36,404	-	
Defined Benefit obligation at end of the year	17,48,203	20,25,370	
2.	Reconciliation of opening and closing balance of fair value of plan assets:		
Fair value of plan assets at beginning of the year	8,42,773	4,95,982	
Expected return on plan assets	67,563	36,507	
Employer Contribution	1,29,028	2,89,902	
Benefits paid	-3,36,404	-	
Actuarial gain/(loss)	1,27,211	20,382	
Fair value of plan assets at year end	8,30,171	8,42,773	
3.	Reconciliation of fair value of assets and obligations:		
Fair value of plan assets	8,30,171	8,42,773	
Present value of obligation	17,48,203	20,25,370	
Amount recognized in Balance Sheet under liabilities:	9,18,032	11,82,597	
4.	Expense recognized during the year: (under "Note 26" Employee Benefit Expenses" in the Statement of Profit and Loss account)	Current Year	Previous Year
Current Service Cost	1,36,116	1,06,135	
Interest Cost	1,56,579	1,20,641	
Expected return on plan assets	67,563	36,507	
Actuarial (gain)/ loss	-3,60,669	3,05,824	
Net Cost	-1,35,537	4,96,093	
5.	Actuarial assumptions:		
Mortality Table (Indian Assured Lives)	2006-08 (Ultimate)	2006-08 (Ultimate)	
Discount rate (per annum)	9.05%	7.95%	
Expected rate of return on plan assets (per annum)	7.50%	7.5%	
Rate of escalation in salary (per annum)	6%	6%	

MIVEN MACHINE TOOLS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

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.

A.	Sl. No.	Name of the Related Party	Nature of Relationship
	1.	Mr. Vikram 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 Parthiv Hejmadi	
		Ms. Sheetal Amarnath Savur	
	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			
Precomp Tools Private Limited			

B.	Details of Transactions: (Amount in Rupees)			
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	
Remuneration paid to: Vikram Sirur	3,95,423 (3,95,423)	Nil	Nil	
A R Menon	9,40,846 (9,42,513)	Nil	Nil	
V N Hasalkar	1,56,000 (1,56,000)	Nil	Nil	
Interest on ICD- NASPL	Nil	10,10,423 (10,87,166)	Nil	
Interest on ICD- Ruris Tecnal Extraction Systems Pvt Ltd	Nil	Nil	12,72,137 (5,40,507)	
Interest on ICD-Precomp Tools Private Limited	Nil	Nil	5,49,996 (2,30,548)	
Purchases from Miven Mayfran Conveyors Private Limited	Nil	Nil	5,62,401 (24,44,782)	
Sales to Miven Mayfran Conveyors Private Limited	Nil	Nil	Nil (1,82,023)	

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**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2014**

B.	Details of Transactions:		(Amount in Rupees)	
	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 due from Company as at the end of the Year			
	Inter Corporate Deposit -NASPL (ICD)	Nil	93,08,841 (93,08,841)	Nil
	ICD from Ruris Tecnal Extraction Systems Pvt Ltd	Nil	Nil	1,53,00,000 (1,35,00,000)
	ICD from Miven Mayfran Conveyers Private Limited	Nil	Nil	1,39,70,128 (34,80,000)
	ICD from Precomp Tools Private Limited	Nil	Nil	50,00,000 (50,00,000)
	Unsecured Loan from Vikram Sirur	37,75,000 (30,00,000)	Nil	Nil
	Amount payable to Cotmac Private Limited	Nil	Nil	53,958 (53,958)
	Interest payable- Ruris Tecnal Extraction Systems Pvt Ltd	Nil	Nil	16,31,382 (4,86,457)
	Interest payable- Precomp Tools Private Limited	Nil	Nil	3,71,587 (2,07,494)
	Interest payable NASPL	Nil	33,10,400 (25,93,019)	Nil
	Guarantees given on behalf of the Company and outstanding at the end of the year by Vikram Sirur and holding Company	4,26,03,719 (7,07,87,519)	4,26,03,719 (7,07,87,519)	Nil

MIVEN MACHINE TOOLS LIMITED**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2014**

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
Carrying amount at the beginning of the year	3,56,862 (2,81,434)	2,70,431 (2,27,162)
Provision made during the year	3,05,877 (2,00,428)	43,269 (43,269)
Amount utilized during the year	1,15,186 (1,25,000)	Nil Nil
Carrying amount at the end of the year	5,47,553 (3,56,862)	3,13,700 (2,70,431)

38. Previous year's figures have been regrouped wherever required in conformity with the presentation for the current year.

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 29th Annual General Meeting of the Company, to be held on Saturday, **September 27, 2014 at 3.30 P.M. 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.	Resolution	Optional**		
		For	Against	Abstain
1.	Adoption of Audited Financial Statements of the Company for the Financial Year ended 31st March 2014 together with the Directors' Report and Auditors' Report thereon.			
2.	Appointment of a Director in place of Mr. Vikram R. Sirur (DIN: 00312980) who retires by rotation and being eligible, offers himself for re-appointment			
3.	Appointment of a Director in place of Mr. Shyam M. Sirur (DIN: 00134226) who retires by rotation and being eligible, offers himself for re-appointment			
4.	Appointment of M/s. B.K.Ramadhyan & Co, Chartered Accountants, as the Statutory Auditors of the Company and to authorize the Board to fix their remuneration.			
5.	Re-appointment of Mr. A.R.Menon as Executive Director of the Company			
6.	Approve borrowing powers of the Board.			
7.	Appointment of Mr. Sanjay B. Baljekar as Independent Director of the Company			
8.	Appointment of Mr. Jitendra B. Divgi as Independent Director of the Company			

Affix Re. 1
Revenue
Stamp

Signed this day of _____ 2014

Signature of Shareholder (s)

Signature of Proxy Holder (s)

*Applicable for member holding shares in electronic form

Note:

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 29th Annual General Meeting of the Company.
3. **It is optional to put a '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;
Fax No: 0836-2310411 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 **29th Annual General Meeting** of the Company held on Saturday, the 27th Sept. 2014 at 3.30 PM 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



MIVEN MACHINE TOOLS LIMITED

Regd.off. & Works: Tarihal Industrial Area, Tarihal, Hubli-580 026. Karnataka. India.

Phone : +91 [836] 2212 221-4, Fax : +91 [836] 2310 411

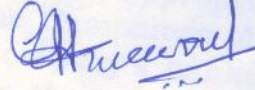

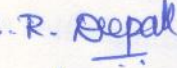

E-mail : mivensales@gmail.com / mmt.purchase@gmail.com

Website : www.mivenmachinetool.net

CIN: L29220KA1985PLC007036

FORM A

Format covering letter of the annual audit report to be filed with the Stock Exchanges

1	Name of the Company	Miven Machine Tools Limited
2	Annual financial statements for the year ended	31 st March, 2014
3	Type of Audit observation	Unqualified/Matter of Emphasis
4	Frequency of observation	Whether appeared first time/repetitive/since how long period
5	To be signed by –	
	CEO/Managing Director	
	CFO	
	Auditor of the company	C.R. Sepal 
	Audit Committee Chairman	

Basis of qualified Opinion

1) We have relied on the representation of the company that the amount due from a customer as referred to in note 21(iii) of Rs.14, 57,586/- is good of recovery and no provision is required in respect of the claims made by the customer of Rs.73,48,629/-.Pending completion of legal proceedings and in view of uncertainties involved, we are unable to form any opinion on the matter. Effect of any shortfall in provision for doubtful debts due to the above on the financial statements is not ascertainable.

Management's response

Note No 21(iii) of the Notes to financial statement is self explanatory.

Legal proceedings have been initiated and hearings are in progress for recovering an amount of Rs.14.58 Lakhs. The Company has a strong case and is confident of being successful. In the respect of the claims made by the customer of Rs.73.49 Lakhs, the company has been advised that the claim will not stand

Emphasis of matter

Attention of the members is invited to note 32 of the financial statement regarding reasons for preparing the financial statements of the Company on going concern basis, notwithstanding the fact that networth of the Company is completely eroded. The appropriateness of the said basis is interalia dependent on the Company's ability to execute sale orders and the support of the Company's bankers and the Holding Company. We have also relied on the representation of the Company in this respect.

Management's response

Note No 32(iii) of the Notes to financial statement is self explanatory.

Considering the business plans made by the Company, improvement in turnover, orders on hand, reorganization of product mix and with continued support from the Bankers and the Holding Company, the Company expects to recover from the losses. According to the Company considering all the facts and not withstanding the erosion of net worth the assumption of 'Going Concern' is not vitiated.