



**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

**Email :** mivensales@gmail.com / mmt.purchase@gmail.com / mmtsecretarial@gmail.com

**Website :** www.mivenmachinetools.in

**CIN :** L29220KA1985PLC007036

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

September 07, 2019

**Submitted electronically through the BSE listing centre**

Dear Sir,

**Sub: Corrigendum: Regulation 34(1) of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 Annual Report for the financial year ended March 31, 2019**

**Ref: BSE Scrip Code 522036 ISIN: INE338P01014**

Pursuant to the provisions of Regulation 34(1) of the SEBI (Depositories and Participants) Regulations, 1996, we are attaching the Annual Report for the financial year ended March 31, 2019 alongwith the notice of the 34<sup>th</sup> Annual General Meeting.

Request you to take the same on record.

Thanking you,

**For Miven Machine Tools Limited**



.....  
**Arpita R Dhakane**  
**Company Secretary and Compliance Officer**

Place : Hubli

Date : September 07, 2019

# 34<sup>th</sup> Annual Report 2018 - 2019



**MIVEN MACHINE TOOLS LIMITED**

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<b>BOARD OF DIRECTORS</b>	:	<b>Mr Vikram R Sirur-</b> Managing Director <b>Mr. Shyam M Sirur</b> <b>Mr. Nandan M Balwalli</b> <b>Mr. Anand B Kamalapur</b> <b>Mrs. Vrinda R Mantri-</b> (Resigned wef. 11-02-2019) <b>Mrs. Alka V Sirur -</b> (Appointed wef.09-05-2019)
<b>Chief Financial Officer</b>	:	<b>Mr S G Gadagkar</b>
<b>Company Secretary</b>	:	<b>Mrs. Arpita R Dhakane</b>
<b>Auditors</b>	:	<b>M/s Rao Associates,</b> Chartered Accountants, Bangalore
<b>Registered Office</b>	:	<b>Tarihal Industrial Area,</b> <b>Tarihal, Hubballi-580026</b> <b>Karnataka, India</b>
<b>Bankers</b>	:	<b>SVC Co-operative Bank Ltd.,</b> Hubli.
<b>Registrar and Transfer Agents :</b>		<b>M/s. BgSE Financials Limited</b> RTA Division, 4th Floor, Stock Exchange Towers No 51, 1st Cross, J C Road, Bangalore-560027 Phone: 080 4132 9661 / 6667 3353 Email: avp_rta@bfsi.co.in / cs_rta@bfsi.co.in

# MIVEN MACHINE TOOLS LIMITED

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

CIN: L29220KA1985PLC007036

Website: www.mivenmachinetools.in E-mail: mmtsecretarial@gmail.com

## NOTICE OF 34<sup>TH</sup> ANNUAL GENERAL MEETING

NOTICE is hereby given that the 34th (Thirty Fourth) Annual General Meeting of the members of Miven Machine Tools Limited, will be held at the Registered Office of the Company at Tarihal Industrial Area, Tarihal, Hubli - 580 026 Karnataka at 11-30 AM on Friday, the September 27, 2019 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2019 and the reports of the Board of Directors and the Auditors thereon and in this connection, to pass the following resolution as an Ordinary Resolution.

**"RESOLVED THAT** the Audited Balance Sheet as at March 31, 2019, 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 pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** Mr. Vikram R. Sirur (DIN 00312980), a Director retiring by rotation, be and is hereby re-appointed as a Director of the Company."

3. **Appointment of Mrs. Alka Sirur (DIN 006717649) as a Director of the Company**

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

"Resolved that pursuant to provisions of Section 152 read with Rule 8,9 and 14 of Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions of the Companies Act, 2013 read with rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and provisions of the Articles of Association of the Company be and is hereby accorded to appoint Mrs. Alka Vikram Sirur, Additional Director, having DIN 006717649, in respect of whom the Company has received notice in writing from a member proposing her candidature for appointment for the office of the Director together with the prescribed deposit pursuant to the provisions of Section 160(1) of the Companies Act, 2013, as Director of the Company.

### SPECIAL BUSINESS:

4. **Re-appointment of Mr. Vikram Sirur (DIN 00312980) as the Managing Director for a period of three years.**

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

**"RESOLVED THAT** pursuant to the provisions of Section 190, 196, 197, 198, 200 and 203, 148 and other applicable provisions, if any, of the Companies Act 2013 ("Act") read with Section II Part II of Schedule V and other applicable provisions, if any, of the Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and resolution 17(1A) of SEBI Listing Obligation and Disclosure Requirements Regulation, 2015 and subject to such consents, permissions, approvals, if any required from any appropriate authority, and pursuant to the recommendation made by the Nomination and Remuneration Committee and subsequently as per the approval granted by the Board of Directors, at their respective meetings held on May 30, 2019 and approval of the Members of the Company be and is hereby accorded for appointment of Mr. Vikram Sirur (DIN: 00312980) as a Whole Time Director designated as the Managing Director of the Company for a period of 3 years with effect from April 20, 2020 at a remuneration including perquisites, on the terms and conditions set forth hereunder, with the authority to Board/Nomination and Remuneration Committee to alter/vary the terms and conditions of the said appointment including as to without any further reference to the shareholders of the Company, as may deem fit and fix the quantum, composition and periodicity of the remuneration payable to Mr Vikram R Sirur, subject however that the remuneration after alteration/variation shall not exceed the limit prescribed under Section 197 read with Schedule V of the Act".

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

**1) Salary :**

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

**2) Allowances and perquisites :**

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

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

**iii) Gratuity :**

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

**3) Minimum Remuneration :**

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

**4) Others:**

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

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

Place : Hubli  
Date : May 30, 2019

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

**Arpita R Dhakane**  
Company Secretary

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## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND, ON A POLL, TO VOTE ON HIS BEHALF AND THE PROXY NEED NOT BE A MEMBER.
2. A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. The Proxy as per the format included in the Notice should be returned to the Registered Office of the Company not less than FORTY-EIGHT HOURS before the time for holding the Meeting.
3. The Notice is being sent to all the Members, whose names appear in the Register of Members as on May 30, 2019. The Notice of the Meeting is also posted on the website of the Company at [www.mivenmachinetools.in](http://www.mivenmachinetools.in).
4. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.
5. Members seeking information are requested to send their queries at least 7 days before the date of the meeting of the company, so that the desired information may be made available at the meeting.
6. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares. They may contact the Company Secretary and Compliance Officer at the registered office or the Registrar and Share Transfer Agents, i.e, BgSE Financials Ltd. No. 51, Stock Exchange Towers, 1st Cross, J.C. Road, Bangalore 560 027.
7. Register of Members and Transfer Books of the Company will remain closed from September 20, 2019 to September 27, 2019 both days inclusive.
8. The Annual Report and Notice for the 34th AGM along with Attendance Slip and Proxy Form is being sent by electronic mode to all members whose email address are registered with the Company/Depository Participant unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by permitted mode. Members may also note that the aforesaid documents are also available on the Company's website [www.mivenmachinetools.in](http://www.mivenmachinetools.in) for download. Members/proxies are requested to bring their copy of Annual Report together with notice and attendance Slip sent herewith, duly filled in to attend the meeting. Members are requested to advise any change in their address immediately to the Company/Registrar and Transfer Agent, ie, BgSE Financials Ltd, No. 51, Stock Exchange Towers, 1st Cross, J.C. Road, Bangalore 560 027.
9. 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.
10. The route map of the venue of the AGM (google map) is attached to this notice.
11. Process and manner for Members opting for voting through Electronic means:
  - (i) In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the facility of voting through electronic means, and the business set out in the Notice above may be transacted through such electronic voting. The facility of voting through electronic means is provided through the e-voting platform of Central Depository Services (India) Limited ("remote e-voting")
  - (ii) The Members whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut Off Date of September 20, 2019 shall be entitled to avail the facility

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of remote e-voting as well as voting at the AGM. Any recipient of the notice who has no voting rights as on the cut off date shall treat this notice as intimation only.

- (iii) A person who has acquired the shares and became member of the Company after the dispatch of the notice of the annual general meeting and prior to the cut off date i.e. September 20, 2019 shall be entitled to exercise his votes either electronically i.e. remote e-voting or through the poll paper at the AGM by following the procedure mentioned in this part.
- (iv) The remote e-voting will commence at 10 AM on September 24, 2019 and will end at 5 PM on September 26, 2019. During this period, the members of the Company holding shares either in physical form or in demat form as on the cut off date i.e. September 20, 2019 may cast their vote electronically. The Members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.
- (v) Once the vote on a resolution is cast by the member, he shall not be allowed to change it subsequently or cast the vote again.
- (vi) The facility for voting through Poll Paper would be made available at the AGM and the Members attending the Meeting who have not already cast their votes by remote voting shall be able to exercise their right at the Meeting through Poll Paper. The Members who have already cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.
- (vii) The voting rights of the Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut off date of September 20, 2019.
- (viii) The Company has appointed Mr. Umesh Maskeri, Practicing Company Secretary (FCS No 4831 COP NO 12704), to act as the Scrutinizer for conducting the remote e-voting process as well as the voting through poll paper at the AGM in a fair and transparent manner.



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**(ix) The procedure and instructions for remote e-voting are, as follows:**

- a. Open your web browser during the voting period and log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- b. Now click on "Shareholders" to cast your votes.
- c. Now, fill up the following details in the appropriate boxes:

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

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

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

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

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### EXPLANATORY STATEMENT

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ("Act") and the Rules framed thereunder, sets out all material facts relating to the businesses mentioned under Item No. 4 of the accompanying Notice dated May 30, 2019:

#### Item No.4

Re-appointment of Mr. Vikram Sirur as the Managing Director for a period of three years

Mr. Vikram Sirur was appointed as the Managing Director at the Board Meeting held on April 20, 2017 and his Appointment was approved by the shareholders at the Annual General Meeting held on September 29, 2017. The Company has been immensely benefitted by the rich experience and guidance extended by Mr Vikram R Sirur, Director of the Company in the management and policy making process, throughout his association as a Director of the Company. In this context, the Nomination and Remuneration Committee of the Company at its meeting held on May 30, 2019 has recommended the appointment of Mr Vikram R Sirur as the Managing Director of the Company for a period of 3 years with effect from April 20, 2020. Considering the need to retain his services, the Board of Directors at their meeting held on 30th May, 2019 have approved his appointment for a period of 3 years with effect from April 20, 2020 on remuneration and the terms and conditions mentioned above.

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

#### I. General Information:

- (i) Nature of Industry:  
The Company is engaged in the business of manufacturing CNC machines.
- (ii) Date or expected date of commencement of commercial production:  
The Company was incorporated on July 19, 1985 and started commercial production in January 1, 1987.
- (iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable.
- (iv) Financial performance based on given indicators- as per audited financial statements for the year ended March 31, 2019:

Rs in Lakhs

Sl No	Particulars	Financial Year ended		
		31-03-17	31-03-18	31-03-19
1	Gross Turnover and other income	341.30	367.04	747.39
2	Net profit as per statement of Profit and Loss (after tax)	(290.12)	(189.76)	24.40
3	Paid up share capital	300.35	300.35	300.35
4	Net worth	(1404.59)	(1575.63)	(1512.04)
5	Dividend	Nil	Nil	Nil

- (v) Foreign investments or collaborators, if any : Nil

#### II. Information about the appointee:

- (i) Background details:

Mr Vikram R Sirur obtained his graduate degree in chemical engineering from Durgapur Engineering College, Durgapur. He has attained the age of 70 years. He has wide experience in the machine tools industry. The Company has been immensely benefitted by the rich experience and guidance extended by Mr Vikram R Sirur, Director of the Company in the management and policy making process, throughout his association as a Director of the Company. He has considerable expertise in specific functional areas of designs of machines, customisation in accordance with the specifications of the customer, product innovation, cost control and arranging funds at short notice.

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(ii) **Past remuneration during the financial year ended March 31, 2019:**

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

Financial year ended	Amount Rs
March 31, 2017	NIL
March 31, 2018	13,61,841/-
March 31, 2019	14,37,720/-

(iii) **Recognition or awards: Not applicable**

(iv) **Job profile and his suitability:**

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

(v) **Remuneration proposed:**

a) **Salary:**

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

b) **Allowances and perquisites**

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

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

h) **Notice Period and termination:**

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

**III. Other information :**

(i) **Reasons for loss or inadequate profits:**

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

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

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

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

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

### IV. Disclosures:

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

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

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

Mr. Vikram R Sirur obtained his graduate degree from Durgapur Engineering College, Durgapur. He has attained the age of 70 years on December 14, 2016. He has wide experience in the machine tools industry. During the recent months, the business prospects of the Company appear to be more promising than before and it is expected that fresh enquires and orders will be received for manufacture of the machines and products of the Company during the ensuing financial years. There is an urgent need to address the challenges of increased level of activities both from the perspectives of manufacturing in accordance with the expectations of the customers, quality control and timely arrangement of funds. The Company has been immensely benefitted by the rich experience and guidance extended by Mr Vikram R Sirur, Director of the Company in the management and policy making process, throughout his association as a Director of the Company.

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

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

Further, Mr. Vikram will be attaining the age of 75 years on 14.12.2021 i.e. during the currency of the term of his appointment and approval of shareholders by way of special resolution is also sought under Regulation 17(1A) of SEBI LODR, although provision of Regulation 17 is not applicable as the company is a small Company as defined in Regulation 15(2) of LODR.

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

# MIVEN MACHINE TOOLS LIMITED

## Notice Contd...)

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

Particulars	Mr. Vikram R. Sirur
DIN	0312980
Date of Birth and Age	14-12-1946 Age:73 years
Date of appointment	October 15, 1998
Qualifications	B.E.(Chem)
Expertise in specific functional areas	He has over 50 years of experience in the field of Engineering industry
Directorship held in public and private companies (excluding foreign companies)	MIVEN MACHINE TOOLS LIMITED MIPRO INTERNATIONAL PRIVATE LIMITED, RURIS TECNAL EXTRACTION SYSTEMS PRIVATE LIMITED, N A SIRUR(HUBLI)PRIVATE LIMITED, MIVEN MAYFRAN CONVEYORS PRIVATE LIMITED, PRATT AUTOMATION PRIVATE LIMITED, INDIAN MACHINE TOOL MANUFACTURERS ASSOCIATION, COTMAC ELECTRONICS PRIVATE LIMITED, FINEARC SYSTEMS PVT LTD, SIBELLA PRIVATE LIMITED, COTMAC INFOTECH PRIVATE LIMITED
Memberships/Chairmanships of companies (only Audit and Stakeholder Relationship Committee)	1
Shareholding in the Company	300 (0.01%)

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## Notice Contd...)

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Particulars	Mrs. Alka Vikram Sirur
DIN	006717649
Date of Birth and Age	14-12-1952
Date of appointment	25/05/2018
Qualifications	Master of Arts from Shivaji University and a gold medallist
Expertise in specific functional areas	General Administration and Human resource development
Directorship held in public and private companies (excluding foreign companies)	Nil
Memberships/Chairmanships of companies (only Audit and Stakeholder Relationship Committee)	Nil
Shareholding in the Company	200 (0.01%)

Place : Hubli  
Date : May 30, 2019

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

**Arpita R Dhakane**  
Company Secretary

# MIVEN MACHINE TOOLS LIMITED

## DIRECTORS' REPORT 2018-19

### TO THE MEMBERS

#### MIVEN MACHINE TOOLS LIMITED

The Directors present the Thirty Fourth Annual Report and the Audited Financial Statements of Miven Machine Tools Limited ("Company") for the Financial Year ("FY") ended March 31, 2019.

### 1. FINANCIAL SUMMARY / HIGHLIGHTS

#### FINANCIAL RESULTS

(Rs. in lakhs)

	Financial Year ended	Financial Year ended
	31-03-2019	31-03-2018
Gross Income	484.27	204.72
Other income	264.03	165.24
Total income	748.30	369.96
Operating Expenses	572.21	360.75
Profit (Loss) before interest and Depreciation	176.09	9.21
Finance Cost	140.65	184.09
Depreciation and amortization expenses	11.04	14.88
Net Profit / (Loss)	24.40	(189.76)
Loss brought forward	1875.98	1686.22
Deficit carried to Balance Sheet	1812.39	1875.98

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

During the year under review, your company achieved a turnover of Rs. 484.27 lakhs from manufacturing operations as against previous year's turnover of Rs. 204.72 lakhs. Company has gained a profit after tax of Rs.24.40 lakhs as against loss of Rs.189.76 lakhs during the previous financial year.

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

### 3. DIVIDEND

In view of the losses incurred by the Company in FY 2018-19 and in the absence of distributable profits, the Board of Directors do not recommend any dividend for the year.

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

In view of the losses suffered by the Company during the FY 2018-19, the question of carrying any amount to reserve does not arise.

### 5. SALE OF LAND OF 8.0 ACRES

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

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

The company is happy to inform you that the Company has sold 8 acres of land and has received a sum of Rs.263.12 lakhs towards the sale of land. The proceeds from sale of land has been utilized towards repayment of loan taken from Bank.

### 6. PAYMENT OF PENALTY OF RS 10 LAKHS TO SEBI ON JULY 4, 2018, PURSUANT TO REGULATION 30 (4) READ WITH PART C OF SCHEDULE III OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ("LODR"), IMPOSED BY THE ADJUDICATING OFFICER, SEBI TOWARDS SLIGHT DELAY IN COMPLIANCE WITH MINIMUM PUBLIC SHAREHOLDING NORMS

In continuation to intimations filed by the Company with BSE on June 4, 2018, June 11, 2018 and June 26, 2018 respectively regarding the Show Cause Notice received from SEBI on June 4, 2018, reply filed by the Company on June 11, 2018 and penalty imposed by SEBI adjudicating office, Pursuant to Regulation 30 (4) read with Part C of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 ("LODR"), the company has made payment of penalty of Rs 10,00,000 to SEBI on July 4, 2018. This penalty was imposed by the adjudicating officer vide order No Order/BS/HS/773 dated June 25, 2018 towards



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## DIRECTORS' REPORT (Contd...)

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slight delay in compliance with Minimum Public Shareholding Norms.

### 7. RISK MANAGEMENT

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

### 8. INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Directors of the company have laid down internal financial controls in terms of the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information. Such internal financial controls are adequate with the size and operations of the Company and were operating efficiently.

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

The Company has no tolerance for Sexual Harassment at Workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace ("Policy"). The Company has not received any complaints under the Prevention of Sexual Harassment Act for the FY 2018-19.

### 10. VIGIL MECHANISM

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

### 11. DEPOSITS

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

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

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

### 13. REAPPOINTMENT OF MANAGING DIRECTOR :

At the 28th Annual General Meeting held on September 13, 2013, the shareholders of the Company had approved the appointment of Mr. Vikram Sirur as the Executive Chairman for a period of three years with effect from June 30, 2013 and fixed his remuneration. Further, at the 29th Annual General Meeting held on September 27, 2014 and at the 30th Annual General Meeting held on September 26, 2015 respectively, the shareholders of the Company had approved the appointment of Mr. Vikram Sirur as a Director subject to retirement by rotation.

Mr. Vikram Sirur(DIN 00312980) was appointed as the Managing Director at the Board Meeting held on April 20, 2017 and his Appoinment was approved by the shareholders at the Annual General Meeting held on September 29, 2017. The Company has been immensely benefitted by the rich experience and guidance extended by Mr Virkam R Sirur, Director of the Company in the management and policy making process, throughout his association as a Director of the Company. In this context, the Nomination and Remuneration Committee of the Company at its meeting held on May 30, 2019 has recommended the appointment of Mr Vikram R Sirur (DIN 00312980) as the Managing Director of the Company for a period of 3 years with effect from April 20, 2020. Considering the need to retain his services, the Board of Directors at their meeting held on 30th May, 2019 have approved his appointment for a period of 3 years with effect from April 20, 2020.

# MIVEN MACHINE TOOLS LIMITED

## DIRECTORS' REPORT (Contd...)

Approval of the members of the Company has been sought for his appointment at this Annual General Meeting.

### 14. RESIGNATION AND APPOINTMENT OF WOMAN DIRECTOR:

Mrs. Vrinda Mantri (DIN 00848714) Director tendered her resignation as Director on February 11, 2019 owing to other professional commitments and personal reasons. Your board of directors places on record its appreciation for the invaluable services rendered by Mrs. Vrinda Mantri during the crucial stage of operations of the Company.

Company has appointed Mrs. Alka Vikram Sirur (DIN06717649) as the Additional Director and Women Director with effect from May 08, 2019 and thus filled up the vacancy caused by the resignation of Mrs. Vrinda Mantri as required under Section 149 of the Companies Act, 2013 read with Rule 3 of the

Companies (Appointment and Qualification of Directors) Rules, 2014. Approval of the members of the Company has been sought for her appointment at this Annual General Meeting. Company has received a notice under Section 160 of Companies act, 2013 from a member expressing the intention to appoint Mrs Alka V Sirur as a Director retiring by rotation at the forthcoming Annual General Meeting and the Board of Directors of the Company has commended this resolution and placed the same before the shareholders for their approval.

### 15. REAPPOINTMENT OF DIRECTOR

In accordance with the provisions of Companies Act, 2013 and the Articles of Association of the Company, Mr Vikram Raghavesh Sirur (DIN 00312980), is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

### 16. NUMBER OF MEETINGS OF THE BOARD

During the financial year 2018-19, Company held 4 meetings of the Board of Directors. Details of attendance by the Directors at the Board Meetings during their tenure during the financial year and the previous Annual General meeting held on September 28, 2018 are furnished below:

No	Name of Director	No of Board Meetings held	No of Board meetings attended	Attendance at the last AGM Yes/No
1	Mr. Vikram R Sirur	4	4	Yes
2	Mr. Shyam M Sirur	4	4	No
3	Mr. Nandan M Balwalli	4	4	No
4	Anand Bindurao Kamalapur (Appointed On 25/05/2018)	4	4	No
5	Mrs. Vrinda R. Mantri (Resigned on 11/02/2019)	4	3	No

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

As required under the provisions of Section 149(6) of the Companies Act, 2013, Company has received declarations from the independent Directors viz. Mr Anand Kamalapur and Mr Nandan M Balwalli during their tenure stating that they have met the criteria of independence. In the opinion of the Board, Mr Anand Kamalapur and Mr Nandan M Balwalli have fulfilled the conditions specified in the Act and

rules for appointment as Independent Directors and they are independent of management of the Company.

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

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

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## DIRECTORS' REPORT (Contd...)

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

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

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

### 20. KEY MANAGERIAL PERSONNEL

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

- 1) Mr. Vikram R Sirur: Managing Director with effect from April 20, 2017.
- 2) Mr. S G Gadagkar - Chief Financial Officer
- 3) Ms. Arpita Dhakane as Company Secretary with effect from May 25, 2018.

### 21. DIRECTORS' RESPONSIBILITY STATEMENT

Based on the internal financial controls and compliance systems of the Company, work performed by the internal, statutory and secretarial auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2018-19.

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

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the Company for that period;

- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the company and that such internal financial controls were adequate and operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

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

### 23. Board and its Committees

#### a. Board

Four Board Meetings were held during FY 2018-19.

#### b. Audit Committee

The Audit Committee of Directors, at the beginning of the financial year comprised of Mr Nandan M Balwalli, Mr Anand Kamalapur and Mr Shyam Sirur. The Audit committee has reviewed the financial statements of the Company for the financial year 2018-19 and the report of the auditors thereon before they were submitted to the Board for approval. The composition of the Committee is in line with the provisions of Section 177 of the Act.

## DIRECTORS' REPORT (Contd...)

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

The NRC of Directors, at the beginning of the financial year, comprised of Mr Nandan M Balwalli, Mr Anand Kamalapur and Mr Shyam Sirur. The composition of the Committee is in line with the provisions of Section 178 of the Act.

### **d. Corporate Social Responsibility Committee**

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

Sitting fees were paid to Director/Member for attending any Board/ Committee Meeting held during the year under review. No commission was paid to any Director for FY 2018-19.

### **24. STATUTORY AUDITORS**

At the 32nd Annual General Meeting held on September 29, 2017, the members had appointed M/s Rao Associates as the statutory auditors for a term of 5 years i.e. from the conclusion of the 32nd Annual General Meeting upto the conclusion of the 37th Annual General Meeting subject to ratification at every Annual General Meeting. Subsequently, with the amendments to the provisions of the Companies Act, 2013, the requirement of ratification of appointment of Auditors at every Annual General Meeting has been dispensed with. Accordingly, it has been proposed to seek the approval of the Members for implementing the said amendment and no further ratification will be sought from the shareholders during the remaining period of the current term of 5 years..

### **25. ACCOUNTING STANDARDS FOLLOWED BY THE COMPANY**

Company has adopted the Indian Accounting Standards pursuant to the provisions of Ind AS Rules, with effect from April 1, 2017.

### **26. EXPLANATION ON STATUTORY AUDITORS' REPORT**

The Independent Auditors Report received from the Statutory Auditors does not contain any qualifications, reservations, adverse remarks or disclaimers pursuant to the provisions of Companies

Act, 2013 and hence there is no need to furnish any explanation by the Board of Directors thereon.

### **27. SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed Mr. Umesh P Maskeri, Practicing Company Secretary, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report dated May 30, 2019 in Form MR-3 received from the said Secretarial auditor is annexed to this report:

The Secretarial Audit Report does not contain any qualification, reservation and adverse remarks or disclaimers made by Mr. Umesh P Maskeri, Practicing Company Secretary in his Report dated May 30, 2019 and hence there is no need to furnish any explanation by the Board of Directors thereon.

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

There are no material changes or commitments, affecting the financial position of the company have occurred between March 31, 2018 to which the financial statements relate and May 30, 2019, being the date of this report.

### **34. RELATED PARTY TRANSACTIONS**

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

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

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## DIRECTORS' REPORT (Contd...)

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### 35. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS

During the year under review the Company has remitted the penalty of Rs. 10,00,000/- to SEBI on July 4, 2018, pursuant to regulation 30 (4) Read With Part C Of Schedule III Of Sebi (Listing Obligations And Disclosure Requirements) Regulations, 2015 ("LODR"), imposed by the adjudicating officer, SEBI towards slight delay in compliance with minimum public shareholding norms.

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

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

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

Information required Rules 8(3)(A) and (B) of the Companies (Accounts) Rules, 2014, concerning conservation of energy, technology absorption and foreign exchange outgo have been furnished in Annexure to this report.

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

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

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

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

i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19: Not applicable as the company has been incurring losses.

ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary - if any, in the financial year 2018-19:

There was no increase in remuneration of each Director, CFO, CS & CEO in the financial 2018-19.

iii) The percentage increase in the median remuneration of employees in the financial year 2018-19:

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

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

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

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

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

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

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

Not Applicable.

viii) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

Not Applicable

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

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

x) During the year under review there was no employee who was in receipt of a remuneration of Rs.5,00,000/- per month or Rs.60,00,000/- per annum and hence

# MIVEN MACHINE TOOLS LIMITED

## DIRECTORS' REPORT (Contd...)

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the particulars of the employees as required in terms of Sub Rule 2 of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, does not attract.

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

The equity shares of the company are listed on BSE Ltd. These shares are very thinly traded on Stock Exchange. The opening price during the financial year under report was Rs. 10.37 and the closing price was Rs. 8.05. The market capitalization of the company as on March 31, 2019 was Rs 241.78 lakhs as against Rs 322.88 lakhs on March 31, 2018.

Since the company has been incurring losses, the computation of price earnings ratio is not applicable.

### 40. EXTRACT OF THE ANNUAL RETURN

In terms of the provisions of Section 134 (3)(a) of the Companies Act, 2013, an extract of the Annual Return in the prescribed Form MGT-9 is attached.

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

**Vikram R Sirur**  
Managing Director

Hubli  
Date: May 30, 2019

Registered Office:  
Tarihal Industrial Area, Tarihal,  
Hubli-580026

### 41. MANAGEMENT DISCUSSION AND ANALYSIS REORT

Management discussion and analysis report as required under Para (B) of Schedule V read with Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached in Annexure B and forms part of this Report.

### 42. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

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

### 43. ACKNOWLEDGEMENTS

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

# 34<sup>th</sup> Annual Report 2018 - 2019

## DIRECTORS' REPORT (Contd...)

**ANNEXURE-B**

Form No. MGT-9

### EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2019

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

#### I REGISTRATION AND OTHER DETAILS :

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

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

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

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

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

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

# MIVEN MACHINE TOOLS LIMITED

## DIRECTORS' REPORT (Contd...)

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

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

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



# 34<sup>th</sup> Annual Report 2018 - 2019

## DIRECTORS' REPORT (Contd...)

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	953	51100	52053	1.72	16632	50000	66632	2.22	0.5
ii) Overseas									
b) Individuals									
i) Individual share-holders holding nominal share capital up to Rs. 2 lakh	121935	311550	433485	14.43	135730	285099	420829	14.01	0.42
ii) Individual share holders holding nominal share capital in excess of Rs. 2 lakh	262262	0	262262	8.73	262232	0	262232	8.73	NIL
c) Others (specify)	3100	0	3100	0.12	1207	0	1207	0.04	0.08
<b>Sub-total (B)(2)</b>	<b>388250</b>	<b>362650</b>	<b>750900</b>	<b>25.00</b>	<b>415801</b>	<b>335099</b>	<b>750900</b>	<b>25.00</b>	<b>Nil</b>
Total Public Shareholding (B) = (B)(1) + (B)(2)	388250	362650	750900	25.00	415801	335099	750900	25.00	Nil
C. Shares held by Custodian for GDRs & ADRs									
<b>Grand Total (A+B+C)</b>	<b>2640850</b>	<b>362650</b>	<b>3003500</b>	<b>100.00</b>	<b>2668401</b>	<b>335099</b>	<b>3003500</b>	<b>100.00</b>	<b>Nil</b>

### ii.) Shareholding of Promoters :

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

# MIVEN MACHINE TOOLS LIMITED

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

SI No	Name of the shareholder	Shareholding at the beginning of the year as on 01.04.2018		Cumulative Shareholding end of the year as on 31.03.2019	
		No of Shares	% of total Shares of the Company	No of Shares	% of total Shares of the Company
1	PRUDENTIAL MANAGEMENT AND SERVICES PRIVATE LIMITED	50000	1.66	50000	1.66
2	SURESHKUMAR RAJMAL SALGIA	44799	1.50	44799	1.50
3	APARNA KINI	42665	1.42	42665	1.42
4	MANOHAR KAMALAKSH RAO	42665	1.42	42665	1.42
5	SHRIPAD GOGGI	39437	1.31	39437	1.30
6	SHRISH GOGGI	25000	0.83	25000	0.83
7	SUSHEELENDRA SRIPADA GOGGI	25000	0.83	25000	0.83
8	ASHOK SHIVANAND SHETTY	21333	0.71	21333	0.71
9	GURUDEVI ASHOKKUMAR SHETTY	21333	0.71	21333	0.71
10	SAGARIKA INFRASTRUCTURE PRIVATE LIMITED	0	0	15079	0.005

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

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

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## V) INDEBTEDNESS:

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

(Rupees in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i.) Principal Amount	635.19	713.26	Nil	1,348.45
ii.) Interest due but not paid	-	187.67	Nil	187.67
iii.) Interest accrued but not due	-	-	Nil	-
<b>Total (i + ii + iii)</b>	<b>635.19</b>	<b>900.93</b>	<b>Nil</b>	<b>1,536.12</b>
<b>Change in Indebtedness during the financial year</b>				
● Addition	968.89	104.37	Nil	1073.26
● Reduction	1098.45	68.59	Nil	1167.04
<b>Net Change</b>	<b>(129.57)</b>	<b>35.79</b>	<b>Nil</b>	<b>(93.78)</b>
<b>Indebtedness at the end of the financial year</b>				
i.) Principal Amount	505.62	749.04	Nil	1254.66
ii.) Interest due but not paid	-	228.14	Nil	228.14
iii.) Interest accrued but not due	-	-	Nil	-
	-	-	Nil	-
<b>Total (i + ii + iii)</b>	<b>505.62</b>	<b>977.18</b>	<b>Nil</b>	<b>1482.80</b>

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

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

Sl. No.	Particulars of Remuneration	Total Amount
		Vikram Sirur Managing Director
<b>1.</b>	<b>Gross Salary:</b>	
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12,00,000
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL
2.	Stock Option	NIL
3.	Sweat Equity	NIL
4.	Commission	
	-as % of profit	
	-others, specify	NIL
5.	Others, please specify	2,37,720
	Total (A)	14,37,720
	Ceiling as per the Act	

# MIVEN MACHINE TOOLS LIMITED

## B. Remuneration to other directors:

Sl. No	Particulars of Remuneration	Name of Directors				Total Amount
		Anand B Kamalapur	Nandan M Balwalli	Vrinda Mantri	Shyam Sirur	
		Rs.	Rs.	Rs.	Rs.	Rs
1	Independent Directors					
	Fee for attending board committee meetings	10,000	7,500			17,500
	Commission					
	Others, please specify					
	Total (1)	10,000	7,500	NIL	NIL	17,500
2	Non Executive Directors					
	Fee for attending board committee meetings			2,500	2,500	5,000
	Commission					
	Others, please specify					
	Total (2)	NIL	NIL	2,500	2,500	5,000
3	Total (B) = (1 + 2)	10,000	7,500	2,500	2,500	22,500
	Total Managerial Remuneration	10,000	7,500	2,500	2,500	22,500
	Overall Ceiling as per the Act					

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

Sl. No.	Particulars of Remuneration	Company Secretary	CFO	Total
1.	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,23,387	2,27,400	4,50,787
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	1,46,160	1,46,160
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission	NIL	NIL	NIL
	- as % of profit			
	- others, specify			
5.	Others, please specify	NIL		
	<b>Total</b>	<b>2,23,387</b>	<b>3,73,560</b>	<b>5,96,947</b>

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

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

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

**Vikram R Sirur**  
Managing Director  
DIN 00312980

**Anand B Kamalapur**  
Director  
DIN 00474775

Hubli  
Date: May 30, 2019

Registered Office:  
Tarihal Industrial Area,  
Tarihal, Hubli

# MIVEN MACHINE TOOLS LIMITED

## FORM AOC - 2

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

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

a) Name(s) of the related party and nature of relationship	-
b) Nature of contracts / arrangements / transactions	-
c) Duration of the contracts / arrangements / transactions	-
d) Salient terms of the contracts or arrangements or transactions including the value, if any	-
e) Justification for entering into such contracts or arrangements or transactions	-
f) Date(s) of approval by the Board	-
g) Amount paid as advances, if any	
h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	-
<b>2 Details of material contracts or arrangements or transactions at arms' length basis</b>	
<b>2.A) a) Name(s) of the related party and nature of relationship</b>	Miven Mayfran Conveyors Private Limited. Hubli
b) Nature of contracts / arrangements / transactions	Purchase and sale of material in the ordinary course of business
c) Duration of the contracts / arrangements / transactions	Ongoing
d) Salient terms of the contracts or arrangements or transactions including the value, if any	Purchase & Sale of material for Rs 49,68,095
e) Date(s) of approval by the Board, if any	Approved at the Board Meetings held on 24-07-2018, 14-11-2018, 2-02-2019 and 30-05-2019 respectively.
f) Amount paid as advance, if any	Nil
<b>2.B) a) Name(s) of the related party and nature of relationship</b>	Pratt Automation Pvt. Ltd., Hubli
b) Nature of contracts / arrangements / transactions	Sale (Job Work) in the ordinary course of business
c) Duration of the contracts / arrangements / transactions	Ongoing
d) Salient terms of the contracts or arrangements or transactions including the value, if any	Sale (Job work) for Rs 40,662.
e) Date(s) of approval by the Board, if any	Approved at the Board Meeting held on 25-05-2018 and 30-05-2019
f) Amount paid as advance, if any	Nil

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

**Vikram R Sirur**  
Managing Director  
DIN 00312980

Hubli  
Date: May 30, 2019

Registered Office:  
Tarihal Industrial Area,  
Tarihal, Hubli

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## MANAGEMENT DISCUSSION AND ANALYSIS

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### a. Industry Structure and Developments :

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

### b. Opportunities and Threats :

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

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

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

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

### d. Outlook :

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

### e. Risk and concerns :

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

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

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

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

The company achieved a turnover of Rs 484.27 lakhs from operations and Rs 263.12 lakhs being advance amount towards the sale of land during the financial year ended March 31, 2019. The company has gained a profit after tax of Rs 24.41 lakhs during the financial year ended March 31, 2019 as against a loss of Rs 189.76 lakhs during the previous financial year 2017-18. In particular, the company has recorded a net loss of Rs 80.24 lakhs during the quarter ended March 31, 2019, as against a profit of Rs 60.56 lakhs during the corresponding quarter of March 31, 2018 of the previous financial year, which was a welcome sign for future progress of the company.

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

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

# MIVEN MACHINE TOOLS LIMITED

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

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

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

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

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

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

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

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

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

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

### **B. TECHNOLOGY ASSERTION**

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

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

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

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

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

- a) Details of technology imported: Not applicable
- b) The year of import: Not applicable
- c) Whether the technology has been fully absorbed: Not applicable
- d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof: Not applicable; and

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

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

**Vikram R Sirur**  
Managing Director  
DIN 00312980

Hubli  
Date: May 30, 2019

Registered Office:  
Tarihal Industrial Area,  
Tarihal, Hubli



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Form No. MR-3

## SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2019

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

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

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

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998
- (i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with effect from December 1, 2015

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

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

# MIVEN MACHINE TOOLS LIMITED

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

The Securities and exchange Board of India imposed a penalty of Rs 10 lakhs for the delay in complying with the Minimum Public holding Norms (MPS Norms) as stipulated in Regulation 38 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 read with Rule 19 and 19-A of Securities Contracts (Regulation) Rules, 1957 vide orders of the adjudicating Officer No Order/BS/HS/773 dated June 25, 2018. Company has remitted the said penalty to SEBI on Jul 4, 2018.

**I further report that :**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, except as mentioned above. The Company has appointed the Woman Director. The changes in the

composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

I further report that based on review of compliance mechanism established by the Company I am of the opinion that the Company has adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Hubli  
Date : May 30, 2019

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

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

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## ANANEXURE A

To  
The Members  
Miven Machine Tools Limited  
Tarihal Industrial Area, Tarihal  
Hubli-580026

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

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

Place: Hubli  
Date : May 30, 2019

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

# MIVEN MACHINE TOOLS LIMITED

## ANNEXURE I OTHER LAWS APPLICABLE TO COMPANY

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

Place: Hubli  
Date : May 30, 2019

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

# 34<sup>th</sup> Annual Report 2018 - 2019

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Miven Machine Tools Limited

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

#### OPINION

We have audited the accompanying Standalone Ind AS Financial Statements of Miven Machine Tools Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India and as prescribed in Sec 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 of the state of affairs of the company as at 31st March 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### KEY AUDIT MATTERS

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

#### Basis for Opinion

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

#### Material Uncertainty related to Going Concern

We draw attention to Note 27(A) in the Standalone Ind AS Financial Statements which indicates that the Company's liabilities exceed its total assets by INR 15,12,04,086 as at 31st March 2019. As stated therein these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matter	Resolution
(a) Ind AS 115 - Revenue from Contract with Customers	
(i) Revenue is one of the key determinants of operating results and is therefore susceptible to misstatement. Transfer of Control is a key assertion in the process of Revenue Recognition since an absence of transfer of control, it can result in material misstatement.	Our audit procedures with regard to revenue recognition included testing controls involving dispatches/deliveries, reconciliation of inventory completion of customer order formalities and substantive testing for cut-offs and analytical review procedures
(ii) The company has sold Immovable Property [Land] identified as surplus and the resultant profit recognised in Profit and Loss Statement impacts profitability significantly. Incorrect recognition and/or non realisation will distort the financial results significantly.	Our audit procedures with regard to sale of Immovable Property [Land] involved verifying registered sale deed and ensuring recognition of full sale price.

<p><b>(b) Valuation of Inventories</b></p> <p>Inventory constitutes a significant portion [72%] of total assets of the company. Any misstatement will certainly distort the results of the company.</p>	<p>Our audit procedures in connection with valuation of inventories involved review of systems and procedures in connection with periodical physical verification and reconciliation with book records, analytical procedures adopted to ensure correct valuation in accordance with Accounting Standards</p>
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**INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITORS REPORT THEREON**

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

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

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

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

**RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone IND AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the

Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the IND AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit

conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- ♦ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ♦ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- ♦ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ♦ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's

report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- ♦ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

# MIVEN MACHINE TOOLS LIMITED

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## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
  - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued thereunder.
  - (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements. Refer Note 27(F)(iii)(b) to the standalone Ind AS financial statements.
  - ii. The company did not enter into any long-term contracts wherein material losses as required under the applicable law or accounting standards that needs to be recognised in the Standalone Ind AS Financial Statements. Further, the company has not entered in any derivative contracts as referred in Note 27(F)(viii)(c) of the Standalone Ind AS Financial Statements.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Hubli  
Dated: 30-05-2019

For **RAO ASSOCIATES**  
Chartered Accountants  
(Firm No: 003080S)

**(G Sudhindra)**  
Partner  
M.NO. 026171



## 34<sup>th</sup> Annual Report 2018 - 2019

### ANNEXURE "A" REFERRED TO IN PARAGRAPH 1 UNDER HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF AUDITORS REPORT ON THE ACCOUNTS OF MIVEN MACHINE TOOLS LIMITED FOR THE YEAR ENDED 31ST MARCH 2019.

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#### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of M/s. MIVEN MACHINE TOOLS LIMITED, as of March 31, 2019 in conjunction with our audit of the Standalone Ind AS financial statements of the company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

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

financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting.**

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

# MIVEN MACHINE TOOLS LIMITED

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial

reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

## **Opinion**

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2019, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Hubli  
Dated: 30-05-2019

For **RAO ASSOCIATES**  
Chartered Accountants  
(Firm No: 003080S)

**(G Sudhindra)**  
Partner  
M.NO. 026171

## 34<sup>th</sup> Annual Report 2018 - 2019

### ANNEXURE B REFERRED TO IN PARAGRAPH 2 UNDER HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT TO THE MEMBERS OF MIVEN MACHINE TOOLS LIMITED, HUBLI:

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**(i) In respect of its fixed assets:**

- a. The company is maintaining proper records to show full particulars including quantitative details and situation of fixed Assets.
- b. According to the information and explanation given to us by the management, all the fixed assets have been physically verified during the year by the management in a phased manner, which in our opinion is reasonable interval. As represented to us by the company, no material discrepancies were noticed during such physical verification.
- c. According to the information and explanation given to us by the company, the title deeds of Immovable Properties are held in the name of the company.

**(ii) In respect of its inventories :**

- a. The Company has conducted physical verification of inventories at sporadic intervals during the period (including year-end verification), which in our opinion requires to be increased to perpetual basis having regard to the size of the company and the nature of its business.
- b. The procedures for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c. The company has maintained proper records for inventories and the discrepancies noticed on verification of such inventories between physical stocks and book records (as detailed in 2(a) above) are properly dealt with in the books of accounts of the Company.

(iii) The company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in register maintained under section 189 of the Companies Act, 2013. Hence clause 3(iii)(a) to (c) of the order is not applicable to the company.

(iv) In our opinion and according to the information and explanations given to us, the company has not

advanced any loan or made any investments or given any guarantee and security as applicable vide provisions of Section 185 and 186 of the Companies Act, 2013 and hence clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.

(vi) To the best of our knowledge and explanations given to us, the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacturing activities, are not applicable to the company.

**(vii) With respect to statutory dues:**

(a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Goods and Services Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues applicable to it

(b) According to the information and explanations provided to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Service Tax, Sales-Tax, Goods and Services Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, there are no dues of Income-Tax, Sales-Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax and Cess which have not been deposited on March 31, 2018 on account of any dispute.

(viii) In our opinion and according to the information and explanations provided by the management, the

# MIVEN MACHINE TOOLS LIMITED

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Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

- (ix) The company has not raised monies by way of initial public offer or further public offer (including debit instruments) and term loans. Accordingly, the provisions of clause 3(ix) of the Order is not applicable to the company.
- (x) According to the information and explanation given to us, there are no frauds reported by the company or any fraud has been noticed or reported during the year. Accordingly, the provisions of clause 3(x) of the said order are not applicable.
- (xi) According to the information and explanations provided by the management, the managerial remuneration has been provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations provided by the management, transactions with

the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.

- (xiv) According to the information and explanations provided to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) of the Order are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations provided by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations provided to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

Hubli  
Dated: 30-05-2019

For **RAO ASSOCIATES**  
Chartered Accountants  
(Firm No: 003080S)

**(G Sudhindra)**  
Partner  
M.NO. 026171

# 34<sup>th</sup> Annual Report 2018 - 2019

## BALANCE SHEET AS AT MARCH 31, 2019

(Rs in Lakhs)

Particulars	Note No.	Figures at the end of current reporting period	Figures at the end of previous reporting period
<b>I. ASSETS</b>			
<b>(1) NON CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	2	53.49	69.12
(b) Capital Work in Progress		-	0.83
(c) Financial Assets			
(i) Investments	3	0.50	0.50
(ii) Other financial assets	4	9.01	4.99
(d) Deferred tax assets (Net)	5	-	-
<b>Total non-current assets</b>		<b>63.00</b>	<b>75.44</b>
<b>(2) CURRENT ASSETS</b>			
<b>(a) Inventories</b>	<b>6</b>	<b>463.41</b>	<b>531.84</b>
<b>(b) Financial Assets</b>			
(i) Trade receivables	7	34.38	8.98
(ii) Cash and cash equivalents	8	16.66	13.84
(iii) Other financial assets	9	11.64	18.70
(c) Current tax assets (Net)		-	-
(d) Other current assets	10	49.50	64.01
<b>Total current assets</b>		<b>575.59</b>	<b>637.38</b>
<b>TOTAL ASSETS</b>		<b>638.59</b>	<b>712.82</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share capital	11	300.35	300.35
(b) Other Equity	11	(1,812.39)	(1,875.98)
<b>Total Equity</b>		<b>(1,512.04)</b>	<b>(1,575.63)</b>
<b>LIABILITIES</b>			
<b>(1) Non-current liabilities</b>			
<b>(a) Financial liabilities</b>			
Borrowings	12	749.04	699.85
(b) Provisions	13	27.90	24.30
(c) Deferred tax liabilities (Net)	5	-	-
<b>Total non-current liabilities</b>		<b>776.94</b>	<b>724.14</b>
<b>(2) Current liabilities</b>			
<b>(a) Financial liabilities</b>			
(i) Borrowings	14	505.62	635.19
(ii) Trade Payables			
(A) Total outstanding dues of Micro & Small Enterprises	15	13.86	8.20
(B) Total outstanding dues Other than Micro & Small Enterprises	15	374.84	383.55
(iii) Other financial liabilities	16	319.04	262.75
(b) Other current liabilities	17	160.33	274.63
(c) Provisions	18	-	-
<b>Total current liabilities</b>		<b>1,373.69</b>	<b>1,564.31</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>638.59</b>	<b>712.82</b>
Significant Accounting Policies and key Accounting Estimates	1		
See accompanying notes forming part of the financial statements.	27		

### For RAO ASSOCIATES

Chartered Accountants

Firm Registration Number: 003080S

### CA. G. Sudhindra

Partner

Membership No.: 026171

Place: Hubli

Date : 30th May 2019

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

#### Vikram R Sirur

Managing Director

DIN: 00312980

#### Anand B Kamalapur

Director

DIN: 00474775

#### S G Gadagkar

Chief Financial Officer

#### Arpita R Dhakane

Company Secretary

M. No. 54201

# MIVEN MACHINE TOOLS LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(Rs in Lakhs)

Particulars	Note No.	Figures for the current reporting period	Figures for the previous reporting period
I. Revenue from Operations	19	484.27	204.72
II Other Income	20	263.12	162.32
<b>III Total revenue (I + II)</b>		<b>747.39</b>	<b>367.04</b>
IV Expenses			
Cost of materials consumed	21	377.00	279.23
Changes in inventories of finished goods, work in progress and stock in trade	22	12.81	(91.64)
Employee benefits expense	23	88.09	80.22
Finance Costs	24	140.65	184.09
Depreciation and amortization expense	25	11.04	14.88
Other expenses	26	94.31	92.95
<b>Total Expenses</b>		<b>723.90</b>	<b>559.73</b>
<b>V Profit/(loss) before exceptional items and tax (I- IV)</b>		<b>23.49</b>	<b>(192.69)</b>
VI Exceptional Items		-	-
VII Profit/(loss) before tax (V-VI)		23.49	(192.69)
VIII Tax expense: (See Note 5)			
(1) Current tax		-	-
(2) Deferred tax		-	-
<b>IX Profit (Loss) for the period from continuing operations (VII-VIII)</b>		23.49	(192.69)
X Profit (Loss) for the period from discontinued operations		-	-
XI Tax Expense of Discontinued Operations		-	-
XII Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
<b>XIII Profit/(loss) for the period</b>		23.49	(192.69)
<b>XIV Other Comprehensive Income</b>			
a. (i) Items that will not be reclassified to profit or loss		0.91	2.92
a. (ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
b. (i) Items that will be reclassified to profit or loss		-	-
b. (ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>XV Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		24.40	(189.76)
<b>XVI Profit (Loss) per equity share: Basic and Diluted</b>	27	0.81	(6.32)
Significant Accounting Policies and Key Accounting Estimates	1		
See accompanying notes forming part of the financial statements	27		

**For RAO ASSOCIATES**

Chartered Accountants  
Firm Registration Number: 003080S

**CA. G. Sudhindra**

Partner  
Membership No.: 026171  
Place: Hubli  
Date : 30th May 2019

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

**Vikram R Sirur**  
Managing Director  
DIN: 00312980

**S G Gadagkar**  
Chief Financial Officer

**Anand B Kamalapur**  
Director  
DIN: 00474775

**Arpita R Dhakane**  
Company Secretary  
M. No. 54201

# 34<sup>th</sup> Annual Report 2018 - 2019

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(Rs in Lakhs)		
Particulars	Figures for the Current reporting period	Figures for the previous reporting period
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit (Loss) before tax as per Profit and Loss Account	23.49	(192.69)
<u>Adjustments for:</u>		
Depreciation and Amortisation Expenses	11.04	14.88
Finance Costs	140.65	184.09
Interest received	(0.77)	(0.91)
Dividend Received	(0.06)	(0.06)
Provisions	4.51	4.06
Profit on Sale of Land	(252.75)	(136.90)
<b>CASH FLOW BEFORE WORKING CAPITAL CHANGES</b>	<b>(73.89)</b>	<b>(127.53)</b>
<u>Adjustments for Working Capital Changes</u>		
Change in Inventories	68.43	(92.78)
Change in Trade Receivables	(25.40)	20.64
Change in Other Financial Assets - Non Current Assets	(4.03)	2.31
Change in Other Financial Assets - Short Term	7.06	0.11
Change in Other Current Assets	14.51	(23.27)
Change in Trade Payables	(3.05)	56.45
Change in Other current Liabilities	(114.30)	102.60
Change in Other Financial Liabilities	56.29	18.81
	<b>(74.36)</b>	<b>(42.66)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale Proceeds of Assets	258.36	121.40
Purchase of Property, Plant and Equipment	(0.18)	(4.53)
Interest received	0.77	0.91
Dividend Received	0.06	0.06
(Increase)/Decrease in Margin Money with Banks	0.39	0.63
	<b>259.40</b>	<b>118.48</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase / (Decrease) in Short term borrowings	(129.57)	11.54
Proceeds/ (Payment) from/to Long Term Borrowings	49.19	55.30
Interest Paid	(140.65)	(184.09)
Changes in Fair Values of Long Term Borrowings	39.19	18.71
	<b>(181.84)</b>	<b>(98.54)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>3.20</b>	<b>(22.73)</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>4.66</b>	<b>27.39</b>
<b>Cash and Cash Equivalents at the close of the Year</b>	<b>7.86</b>	<b>4.66</b>
<b>Reconciliation of Cash and Cash Equivalents</b>		
As per Cash Flow Statement	7.86	4.66
Margin Money with Banks	8.80	9.18
<b>As per Balance Sheet</b>	<b>16.66</b>	<b>13.84</b>

**For RAO ASSOCIATES**

Chartered Accountants

Firm Registration Number: 003080S

**CA. G. Sudhindra**

Partner

Membership No.: 026171

Place: Hubli

Date : 30th May 2019

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

**Vikram R Sirur**

Managing Director

DIN: 00312980

**S G Gadagkar**

Chief Financial Officer

**Anand B Kamalapur**

Director

DIN: 00474775

**Arpita R Dhakane**

Company Secretary

M. No. 54201

# MIVEN MACHINE TOOLS LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2019

### A. Equity share capital

(Rs in Lakhs)

Particulars	As at 31-03-2019	As at 31-03-2018
Balance at the beginning of the reporting year	300.35	300.35
Changes in equity share capital during the year	-	-
Balance at the end of the reporting year	300.35	300.35

### B. Other Equity

#### (i) Other equity as on 31.03.2018

Particulars	Reserves and Surplus			Total Other Equity
	Capital Reserve	Retained Earning	Other items of OCI	
Balance as on 01.04.2017	120.41	(1,826.81)	1.47	(1,704.94)
Fair Value Measurement of Financial Liabilities	18.71	-	-	18.71
Profit / (Loss) for the year	-	(192.69)	-	(193)
Other Comprehensive Income	-	-	2.92	2.92
<b>Balance as on 31.03.2018</b>	<b>139.12</b>	<b>(2,019.50)</b>	<b>4.39</b>	<b>(1,875.98)</b>

#### (ii) Other equity as on 31.03.2019

Particulars	Reserves and Surplus			Total Other Equity
	Capital Reserve	Retained Earning	Other items of OCI	
Balance as on 01.04.2018	139.12	(2,019.50)	4.39	(1,875.98)
Fair Value measurement of Financial Liabilities	39.19	-	-	39.19
Profit / (Loss) for the year	-	3.86	-	3.86
Other Comprehensive Income	-	-	0.91	0.91
Sub-total	39.19	3.86	0.91	43.97
Less: Transfers	-	-	-	-
<b>Balance as on 31.03.2019</b>	<b>178.31</b>	<b>(2,015.63)</b>	<b>5.30</b>	<b>(1,832.02)</b>

#### For RAO ASSOCIATES

Chartered Accountants

Firm Registration Number: 003080S

#### CA. G. Sudhindra

Partner

Membership No.: 026171

Place: Hubli

Date : 30th May 2019

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

**Vikram R Sirur**  
Managing Director  
DIN: 00312980

**S G Gadagkar**  
Chief Financial Officer

**Anand B Kamalapur**  
Director  
DIN: 00474775

**Arpita R Dhakane**  
Company Secretary  
M. No. 54201



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## NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st MARCH, 2019

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### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES

#### 1 COMPANY OVERVIEW

Miven Machine Tools Limited ("the company") was incorporated in 1985 established for the purpose of manufacture and sale of CNC Machines and other related parts. The company is operating in domestic sector only at the present. The registered office of the company is situated in Hubli, Karnataka. 74.98% of the Equity Shares of the company are held by N A Sirur (Hubli) Private Limited, the holding company.

#### 2 SIGNIFICANT ACCOUNTING POLICIES:

##### a) Basis of preparation of Standalone Financial Statements:

###### Basis of accounting

These standalone financial statements of the Company have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under section 133 of the Companies Act, 2013 ('the Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in India. These standalone financial statements were authorized for issue by the Company's Board of Directors on May 30, 2019.

###### Application of new accounting pronouncements

The company has adopted Ind AS-115, Revenue from Contract with Customers with effect from 1st April 2018. The adoption of new standard does not have any material impact on the results of the company.

###### Functional and Presentation Currency

These standalone financial statements are presented in Indian rupees, which is the functional currency of the Company.

###### Basis of measurement

These standalone financial statements are prepared under the historical cost convention

unless otherwise indicated and under the accrual system of accounting.

###### Current / Non-Current Classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- ii. the asset is intended for sale or consumption;
- iii. the asset/liability is held primarily for the purpose of trading;
- iv. the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- vi. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

###### Use of Estimates and Judgements

The preparation of the Standalone Financial Statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the Standalone Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialize. Estimates and underlying

# MIVEN MACHINE TOOLS LIMITED

## NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st MARCH, 2019

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assumptions are reviewed on an ongoing basis. Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the accounting policies appropriately viz.,

Measurement of defined benefit obligations (Refer note 27)

Measurement and likelihood of occurrence of provisions and contingencies (Refer note 2(j) below) Recognition of deferred tax assets (Refer note 5)

Useful lives of property, plant, equipment and Intangibles (Refer note 2(b) below)

Fair value measurement of Financial Instruments

Impairment of Financial Assets (Refer Note 2(k) below)

Impairment of Intangibles (Refer note 2(k) below)

The company follows the accrual system of accounting in respect of all items of income and expenditure except Warranty claims from customers which 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) Property, Plant And Equipment:**

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

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

The Company had elected to consider the carrying value of all its property, plant and equipment appearing in the financial statements prepared in accordance with Accounting Standards notified under the section 133 of the Companies Act 2013, read together with Rule 7 of the

Companies (Accounts) Rules, 2014 and used the same as deemed cost in the opening Ind AS Balance sheet prepared on 1st April, 2016.

### **Capital Work in Progress and Capital Advances**

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as Other Non-Current Assets.

### **Depreciation and amortization**

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

### **c) 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 (less provision for diminution in realisable value). Finished goods are valued at cost or net realizable value whichever is lower. Cost for the purpose of Work in Process and finished goods include material cost valued as per weighted average method and applicable conversion cost. Materials in transit are valued at cost inclusive of Customs duty and other incidental expenses payable.

### **d) Research And Development Expenditure:**

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

### **e) Revenue Recognition :**

(i) Revenue from contract with customers is recognised on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the company is expected to be entitled to in exchange for those goods or services.

Revenue from sale of products is recognised when the control on goods have been transferred to the customer. The performance obligation in case of sale of goods is

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## NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st MARCH, 2019

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satisfied at a point in time, i.e when the installation and commissioning is completed.

Revenue from services is recognised upon completion of performance obligation.

(ii) Revenue from the sale of goods includes excise duty (where applicable) and is measured at the fair value of the consideration received or receivable (after including fair value allocations related to multiple deliverable and/or linked arrangements), net of returns, sales tax/Goods and Services Tax (GST) and applicable trade discounts and allowances. Revenue includes shipping and handling costs billed to the customer. The timing of the transfer of control varies depending on the individual terms of the sales agreements.

(iii) Interest income is recognized on time proportion basis.

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

### **f) 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 the Statement of Profit and Loss as and when incurred.

### **g) Foreign Currency Translation :**

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

### **h) Employee Benefits:**

(i) Short Term Employee Benefits:

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

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

#### **(A) Defined Contribution Plans:**

The Company has contributed to Provident Fund, Superannuation Fund, Pension Fund and Employee Deposit Linked Insurance Fund which are defined contribution plans. The contributions paid/ payable under the scheme to the Regional Provident Fund Commissioner/ LIC of India is recognised during the year in which employee renders the related service.

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

##### **(a) Employee Gratuity**

Employees' gratuity is a defined benefit plan which is funded by way of contributions to Group Gratuity Scheme of Life Insurance Corporation of India (except in respect of Managing Director). The present value of the obligation under such plan along with liability on account of Managing Director has been determined based on completed service at the end of the year as per actuarial valuation under projected unit credit method. Actuarial gain / losses are recognized in statement of profit and loss immediately.

##### **(b) Compensated Absences (Leave Encashment)**

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

# MIVEN MACHINE TOOLS LIMITED

## NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st MARCH, 2019

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Pension and Group schemes of the Life Insurance Corporation of India.

### i) Taxes On Income:

Provision for current tax is made after considering any excess / short in earlier years. Deferred tax liability on account of timing differences are provided considering the tax rates and the tax laws enacted as at the Balance Sheet date. However, deferred tax assets are recognised to the extent there is reasonable probability that sufficient future profits will be available to utilise the same.

### j) 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.

### k) Impairment of Assets:

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

### l) Financial Assets:

#### (a) Recognition and Measurement

All Financial assets are recognised initially at fair value. Subsequent measurements are done at fair value or amortised cost depending on their classification.

#### (b) Derecognition :

A financial asset or part of a financial asset is derecognised when the rights to receive cash flows from the asset have expired

#### (c) Trade and other receivables :

Receivables are initially recognised at fair value which approximates to nominal value in almost all cases. These receivables are reviewed for impairment at subsequent dates and suitable adjustments are accordingly made

#### (d) Cash and cash equivalents

These comprise cash on hand and deposits with Bank which are convertible to cash and are subject to insignificant risk of change in value

#### (e) Impairment of financial assets

In accordance with Ind AS 109, the company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets with credit risk exposure.

#### m) Financial Liabilities:

##### (a) Recognition and Measurement

Financial Liabilities are classified, at initial recognition, at fair value through statement of Profit and Loss as Loans, Borrowings, Payables or derivatives as appropriate

Financial Liabilities are measured based on their classification at fair value through Statement of Profit and Loss, amortised cost or fair value through Other Comprehensive Income

##### (b) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires

##### (c) Trade and Other payables

Liabilities are recognised for amounts to be paid in future for goods or services received, whether or not billed by the supplier

##### n) Reclassification of financial assets and liabilities:

(i) After initial recognition no reclassification is made for financial assets which are equity instruments and

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## NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st MARCH, 2019

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financial liabilities. For other financial assets, a reclassification is made prospectively only if there is a change in the business model for managing those assets.

(ii) Offsetting Financial Assets and Liabilities  
Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet only if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis.

### **o) Earnings Per Share:**

The company presents basic and diluted Earnings Per Share data for its ordinary shares. Basic earnings per share is calculated by dividing the Profit or Loss attributable to ordinary shareholders of the Company by weighted average number of ordinary Shares outstanding during the year, adjusted for own shares held.

### **p) Cash Dividend and Non-cash Distribution to Shareholders:**

The company recognises a liability to make Cash or Non Cash Distribution to Equity Share Holders when the distribution is authorised and the distribution is no longer at the discretion of the company.

### **q) Events after reporting period:**

(i) Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

(ii) Non Adjusting events are events that are indicative of condition that arose after the end of the reporting period. Non Adjusting events after the reporting date are not accounted, but disclosed.

**r) Recent Accounting Pronouncements:** Standards issued but not yet effective

In March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2019, notifying new standards and amendments to certain issued standards. These amendments are applicable to the Company from 1st April, 2019. a) Ind AS 116, Leases:

Ind AS 116 supersedes Ind AS 17, Leases. Under Ind AS 116, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right of use asset) at the commencement date of lease. Lessees will be required to separately recognise interest expense on the lease liability and depreciation expense on the right of use asset. Lessor accounting under Ind AS 116 remains substantially unchanged from accounting under Ind AS 17. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019.

The company has no transactions as defined in the standard and hence the amendment has no impact on the results of the company.

### **b) Appendix C, Uncertainty over Income Tax Treatment to Ind AS 12, Income Taxes:**

The Appendix clarifies how to apply the recognition and measurement principles while recognizing current tax, deferred tax, taxable profits (losses), tax bases, unused tax losses, unused tax credits and tax rates when there is uncertainty over tax treatments under Ind AS 12. As per the Appendix, the Company needs to assess whether it is probable that a tax authority will accept an uncertain tax treatment used or a treatment which is being proposed to be used in its income tax filings. The Appendix will be applied retrospectively with the cumulative effect of its initial application on the opening balance sheet as on 1st April 2019.

The impact of the Appendix on the Financial Statements, as assessed by the Company, is expected to be not material.

### **c) Amendment to Ind AS 12, Income Taxes:**

The amendment clarifies that an entity shall recognize income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

The Company will apply these amendments for annual reporting periods beginning on or after 1st April 2019. The company does not expect any impact on the financial results by virtue of the amendment.

# MIVEN MACHINE TOOLS LIMITED

## NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st MARCH, 2019

(Rs in Lakhs)

Note 2: Property, Plant and Equipment as at 31st March 2018

Description	COST			DEPRECIATION			NET BLOCK			
	As at 01.04.2017	Additions	Deductions	As at 31.03.2018	Upto 01-04-2017	For the Year ended 31st March 2018	Withdrawn during the Period	Upto 01-04-2018	As at 31.03.2017	As at 31.03.2018
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Freehold Land	19.05	-	3.10	15.95	-	-	-	-	19.05	15.95
Factory Building	19.16	-	-	19.16	4.71	4.65	-	9.35	19.16	9.81
Plant and Equipment	53.68	3.73	-	57.40	8.74	8.63	-	17.37	53.68	40.03
Furniture and Fittings	2.13	-	-	2.13	1.22	0.91	-	2.13	2.13	0.00
Office Equipments	0.58	-	-	0.58	0.25	0.16	-	0.40	0.58	0.18
Factory Equipments	1.19	-	-	1.19	0.16	0.16	-	0.31	1.19	0.87
Electrical Installations	0.10	-	-	0.10	0.01	0.01	-	0.03	0.10	0.07
Jigs and Fixtures	2.02	0.80	-	2.82	0.30	0.32	-	0.61	2.02	2.21
Vehicles	0.00	-	-	0.00	0.00	-	-	0.00	0.00	0.00
Computer and Printers	0.43	-	-	0.43	0.37	0.05	-	0.43	0.00	0.00
<b>TOTAL</b>	<b>98.34</b>	<b>4.53</b>	<b>3.10</b>	<b>99.77</b>	<b>15.76</b>	<b>14.88</b>	<b>-</b>	<b>30.64</b>	<b>69.12</b>	<b>98.34</b>

As at 31st March 2019

Description	COST			DEPRECIATION			NET BLOCK			
	As at 01.04.2018	Additions	Deductions	As at 31.03.2019	Upto 01-04-2018	For the Year ended 31st March 2019	Withdrawn during the Period	Upto 31-03-2019	As at 31.03.2018	As at 31.03.2019
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Freehold Land	15.95	-	4.78	11.18	-	-	-	-	15.95	11.18
Factory Building	19.16	-	-	19.16	9.35	2.20	-	11.56	9.81	7.61
Plant and Equipment	57.40	-	-	57.40	17.37	8.18	-	25.55	40.03	31.85
Furniture and Fittings	2.13	-	-	2.13	2.13	-	-	2.13	0.00	0.00
Office Equipments	0.58	-	-	0.58	0.40	0.08	-	0.49	0.18	0.09
Factory Equipments	1.19	-	-	1.19	0.31	0.16	-	0.47	0.87	0.71
Electrical Installations	0.10	-	-	0.10	0.03	0.01	-	0.04	0.07	0.06
Jigs and Fixtures	2.82	-	-	2.82	0.61	0.38	-	0.99	2.21	1.83
Vehicles	0.00	-	0.00	-	-	0.00	-	-	-	-
Computer and Printers	0.43	0.18	-	0.60	0.43	0.02	-	0.44	0.00	0.16
<b>TOTAL</b>	<b>99.77</b>	<b>0.18</b>	<b>4.78</b>	<b>95.17</b>	<b>30.64</b>	<b>11.04</b>	<b>-</b>	<b>41.68</b>	<b>53.49</b>	<b>69.12</b>

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## NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

### Note 3: Investments

(Rs in Lakhs)

Details of Investments	Name of the Company	As at 31st March 2019			As at 31st March 2018			
		No of Shares	Face Value	Rs.	No of Shares	Face Value	Rs.	
<b>Investments in Equity Instruments:</b> i) Others (Trade, Unquoted) Shares fully paid up	SVC Co-operative Bank Limited	2000	25	0.50	2000	25	0.50	
<b>Total carried to Balance Sheet</b>				<b>0.50</b>			<b>0.50</b>	
<b>Additional Information:</b> Aggregate value of unquoted investments:  Cost							0.50	0.50

The Investment in Shares of SVC Co-operative Bank Limited is necessitated on account of financial facilities availed by the company from the Bank. No additional benefit, other than cost of investment, accrue to the company upon transfer of the shares and hence the investment has been carried at cost.

### Note 4 : Other Financial Assets

(Rs in Lakhs)

Particulars	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.
i) Income Tax Refund Due	5.82	1.80
ii) Utility Deposit	3.19	3.19
<b>Total carried to Balance Sheet</b>	<b>9.01</b>	<b>4.99</b>

### Note 5 : Deferred Tax Assets (NET)

(Rs in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
i) On Account of unabsorbed depreciation under Income Tax Act, 1961 to the extent it is probable in utilisation	0.41	1.53
<b>Total deferred tax asset</b>	<b>0.41</b>	<b>1.53</b>

### Deferred Tax Liabilities

ii) On account of property, plant and equipment	0.41	1.53
<b>Total Deferred tax liability</b>	<b>0.41</b>	<b>1.53</b>
<b>Net deferred tax asset [(i) (-) (ii)]</b>	<b>-</b>	<b>-</b>

The substantively enacted tax rate as on 31 March 2019 was 26.00% and as on 31 March 2018 was 25.75%

# MIVEN MACHINE TOOLS LIMITED

## NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

### a) Amount recognised in profit or loss

(Rs in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Current tax expense:</b>		
Current tax / Minimum alternate tax (See Note below)	-	-
<b>Net deferred tax (income) / expense :</b>		
Origination and reversal of temporary differences		
Deferred Tax Liability recognised during the year	1.13	2.55
Less: Deferred Tax Asset recognised during the year	(1.13)	(2.55)
Net Deferred Tax Asset recognised during the year	-	-
<b>Total deferred tax (income)/expense</b>	-	-
<b>Net tax expense</b>	-	-

#### Note :

The company has adequate brought forward losses eligible for set off against current year's income under Income Tax Act, 1961 and therefore there is no liability towards Income Tax for the year.

### b) Amount recognised in OCI

(Rs in Lakhs)

Particulars	As at 31st March 2019		As at 31st March 2018	
	Tax (expense) benefit	Net of tax	Tax (expense) benefit	Net of tax
Re-measurement (losses) / gains on post employment defined benefit plans				
<b>Total</b>	-	-	-	-

### c) Reconciliation of effective income tax rate

Particulars	31st March 2019		31st March 2018	
	Amount	Rate	Amount	Rate
Profit/(Loss) before tax from continuing operation	24.40	-	(189.76)	-
Tax using the company's domestic tax rate (Income tax) (See Note (a) above)	-	-	-	-
Total income tax expense for the year	-	-	-	-



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## NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

### d) Movement in deferred tax balances

(Rs in Lakhs)

Particulars	As at 01/04/2017		Recognised in Profit & Loss Statement	Recognised in OCI	As at 31/03/2018	
	Tax Liability	Tax Asset			Tax Liability	Tax Asset
Property, plant and equipment	4.09	4.09	2.55		1.53	1.53
Tax assets / (liabilities) before set-off	4.09	4.09	2.55	-	1.53	1.53
Off-setting of Deferred tax assets / (liabilities)	4.09	4.09	2.55	-	1.53	1.53
Net deferred tax assets / (liabilities)	-	-	-	-	-	-

### d) Movement in deferred tax balances

Particulars	As at 01/04/2018		Recognised in Profit & Loss Statement	Recognised in OCI	As at 31/03/2019	
	Tax Liability	Tax Asset			Tax Liability	Tax Asset
Property, plant and equipment	1.53	1.53	1.13	-	0.41	0.41
<b>Tax assets/(liabilities) before set-off</b>	<b>1.53</b>	<b>1.53</b>	<b>1.13</b>	<b>-</b>	<b>0.41</b>	<b>0.41</b>
Off-setting of Deferred tax assets / (liabilities)	1.53	1.53	1.13		0.41	0.41
<b>Net deferred tax assets/(liabilities)</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>

### e) Unrecognised deferred tax assets

Due to absence of certainty in utilisation, deferred tax asset has not been recognised in respect of the following items because it is not probable to expect that future taxable profits will be available in the time limit prescribed under the Income Tax Act, 1961 against which the deductible temporary difference can be utilised. The break up of such items are as under:

PARTICULARS	31-03-2019	31-03-2018
(i) Provision for Gratuity and Bonus	11.88	6.26
(ii) Provision for Leave Encashment	1.08	1.08
(iii) Provision towards Superannuation Fund	2.08	0.44
(iv) Provision for Advance to Suppliers	1.80	1.80
(v) Carried Forward Business Loss	293.68	266.82
(vi) Carried Forward Depreciation	46.28	51.97
	<b>356.80</b>	<b>328.37</b>

# MIVEN MACHINE TOOLS LIMITED

## NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

### NOTE 6: INVENTORIES

(Rs in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Raw materials & Components	181.26	253.49
Raw materials & Components in Transit	-	-
Work-in-Progress	267.32	260.49
Stores spares and parts	14.83	17.86
<b>Total</b>	<b>463.41</b>	<b>531.84</b>

a. Raw materials & Components include materials lying with sub contractors Rs.4,51,825 (Previous Year - Rs. 5,85,513). Of these, confirmation from the parties is fully obtained.

b. Work in Progress includes items valued on estimated net realisable basis which is lower than cost by Rs. 22,76,986 (PY 10,13,171).

### NOTE 7: TRADE RECEIVABLES

(Rs in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Unsecured, considered good	34.38	8.98
Unsecured, considered doubtful	-	-
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables which have credit impaired	-	-
<b>Total</b>	<b>34.38</b>	<b>8.98</b>

### NOTE 8: CASH AND CASH EQUIVALENTS

(Rs in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Balances with Banks In Current Account	7.75	4.48
In margin money (security for borrowings, guarantees and other commitments) - Maturing within 12 months	8.01	1.18
Maturing beyond 12 months	0.79	8.01
Cash on hand	0.11	0.18
<b>Total</b>	<b>16.66</b>	<b>13.84</b>

### NOTE 9: OTHER FINANCIAL ASSETS

(Rs in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Accrued Interest on Bank Deposits	0.62	0.10
Receivable towards Land Sold	11.02	18.60
<b>Total</b>	<b>11.64</b>	<b>18.70</b>

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## NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

### NOTE 10: OTHER CURRENT ASSETS

(Rs in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
GST Receivable	22.52	38.60
Others	26.98	25.41
<b>Total</b>	<b>49.50</b>	<b>64.01</b>

### NOTE 11: (A) EQUITY SHARE CAPITAL

Particulars	As at 31st March 2019		As at 31st March 2018	
	Number	Amount	Number	Amount
Authorised :				
Equity Shares of Rs. 10 each	5,000,000	500.00	5,000,000	500.00
Issued, Subscribed and Paid Up Capital				
Equity Shares of Rs. 10 each	3,003,500	300.35	3,003,500	300.35
There are no forfeited Shares				
<b>Total</b>	<b>3,003,500</b>	<b>300.35</b>	<b>3,003,500</b>	<b>300.35</b>

#### (i) Rights and restrictions attached to equity shares

The company has only one class of share, i.e., equity shares having the face value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. Dividend is paid in Indian Rupees. The dividend, if any, recommended by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting. In the event of liquidation of the Company, equity shareholders will be entitled to receive remaining assets of the Company after distribution of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Disclosure requirements for 5 years	Number of Shares				
	31/03/2019	31/03/2018	31/03/2017	31/03/2016	31/03/2015
Shares allotted as fully paid up pursuant to contracts without payment being received in cash	Nil	Nil	Nil	Nil	Nil
Shares allotted as fully paid up by way of bonus shares	Nil	Nil	Nil	Nil	Nil
Shares bought back	Nil	Nil	Nil	Nil	Nil

#### (iii) Reconciliation of shares outstanding at the beginning and at the end of the period :

Particulars	31-03-2019		31-03-2018	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Outstanding as at Opening Date	3,003,500	300.35	3,003,500	300.35
Add: Issued during the period	-	-	-	-
Less: Buy-back during the period (if any)	-	-	-	-
Outstanding as at Closing Date	3,003,500	300.35	3,003,500	300.35

# MIVEN MACHINE TOOLS LIMITED

## NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

Equity Shares held by shareholders having 5% or more	31-03-2019		31-03-2018	
Name of the shareholder	No. of Shares	% held	No. of Shares	% held
N A Sirur (Hubli) Private Limited	2,252,100	74.98	2,252,100	74.98

No shares of the Company is reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

### B. Other equity as on 31.03.2018

(Rs in Lakhs)

Particulars	Reserves and Surplus				Total Other Equity
	Capital Reserve	General Reserve	Retained Earnings	Other items of OCI	
Balance as on 01.04.2017	120.41		(1,826.81)	1.47	(1,704.94)
Fair Value Measurement of Financial Liabilities	18.71	-	-	-	18.71
Profit / (Loss) for the year	-	-	(192.69)	-	(192.69)
Other Comprehensive Income	-	-	-	2.92	2.92
Balance as on 31.03.2018	139.12	-	(2,019.50)	4.39	(1,875.98)

### Other equity as on 31.03.2019

Particulars	Reserves and Surplus				Total Other Equity
	Capital Reserve	General Reserve	Retained Earnings	Other items of OCI	
Balance as on 01.04.2018	139.12		(2,019.50)	4.39	(1,875.98)
Fair Value measurement of Financial Liabilities	39.19	-	-	-	39.19
Profit / (Loss) for the year	-	-	23.49		23.49
Other Comprehensive Income	-	-	-	0.91	0.91
Sub-total	39.19	-	23.49	0.91	63.59
<b>Balance as on 31.03.2019</b>	<b>178.31</b>	<b>-</b>	<b>(1,996.00)</b>	<b>5.30</b>	<b>(1,812.39)</b>

### NOTE 12: BORROWINGS (NON CURRENT)

(Rs in Lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
<b>1</b>	<b>Unsecured Loans:</b>		
	a. Loans and advances from related parties	749.04	699.85
	Includes Loans measured at Fair Value	274.00	224.81
	<b>Total long term borrowings</b>	<b>749.04</b>	<b>699.85</b>

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## NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

### NOTE 13 : PROVISIONS

(Rs in Lakhs)

Particulars		As at March 31, 2019	As at March 31, 2018
	<b>Provision for employee benefits</b>		
a)	Gratuity - Employees	23.35	20.33
b)	Gratuity - Directors	4.55	3.97
c)	Compensated absence	-	-
	<b>Total carried to Balance Sheet</b>	<b>27.90</b>	<b>24.30</b>

### NOTE 14 : BORROWINGS (CURRENT)

(Rs in Lakhs)

Particulars		As at March 31, 2019	As at March 31, 2018
<b>1</b>	<b>Secured Loans:</b>		
	a) Bank Over Draft		
	SVC-OD A/c. No.109020950000184	318.27	315.47
	SVC-OD A/c. No.109020950000185	0.05	144.56
		<b>318.32</b>	<b>460.03</b>
<b>2</b>	<b>Unsecured Loan</b>		
	a) Loans repayable on demand		
	- Working capital loan from National Small Industries Corporation-Belgaum	187.30	175.15
	<b>Total carried to Balance Sheet</b>	<b>505.62</b>	<b>635.19</b>

#### Additional Information :

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

- Working capital loans are secured against hypothecation of stocks, book debts and equitable mortgage of factory land and building. Further the loan is also secured against the personal assets of Managing Director of the Company and corporate guarantee of the holding Company N A Sirur (Hubli) Private Limited
- Interest on secured loan carry an interest of 12.50% p.a.

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

- The said loan is availed only as an assistance for purchase of raw materials. The said loan is sanctioned against the bank guarantee provided by Canara Bank through SVC Co-op Bank Ltd amounting to Rs. 2 Crore.
- The assistance will be repayable within a period of 90 days.
- The Borrowings carries an annual rate of Interest of 10.25%.

#### iii) There were no defaults in repayment of any of the loans/ interest during the period.

# MIVEN MACHINE TOOLS LIMITED

## NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

### NOTE 15: TRADE PAYABLES

(Rs in Lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
i)	To Micro and Small Enterprises	13.86	8.20
ii)	Others	374.84	383.55
	<b>Total carried to Balance Sheet</b>	<b>388.71</b>	<b>391.75</b>

#### Additional Information :

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

	Particulars	As at March 31, 2019	As at March 31, 2018
1	Principal Amount due and remaining unpaid	170.30	143.61
2	Interest due on (1) above and the unpaid interest	43.82	41.40
3	Interest paid on all delayed payments under MSMED Act	-	-
4	Payment made beyond the appointed day during the year	-	2.10
5	Interest due and payable for the period of delay other than (3) above	43.82	41.40
6	Interest accrued and remaining unpaid	43.82	41.40
7	The amount of further interest remaining due and payable even in the succeeding years	301.76	269.90

### NOTE 16 : OTHER FINANCIAL LIABILITIES

(Rs in Lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
a)	Interest accrued and due on borrowings	163.83	139.56
b)	Other liabilities	138.17	119.24
c)	Statutory remittances	17.00	2.94
d)	Security Deposits from Director	-	1.00
	(The above deposit is received in relation to appointment of women director in compliance with the provision of Companies Act, 2013)		
	<b>Total carried to Balance Sheet</b>	<b>319.04</b>	<b>262.75</b>

### NOTE 17 : OTHER CURRENT LIABILITIES

(Rs in Lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
a)	Advance from customers	160.33	218.63
b)	Advance for sale of land	-	56.00
	<b>Total carried to Balance Sheet</b>	<b>160.33</b>	<b>274.63</b>

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## NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

### NOTE 18 : PROVISIONS (CURRENT)

(Rs in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
a) Provision for Tax	-	-
b) Provisions for Compensated absence (Leave Encashment)	-	-
<b>Total carried to Balance Sheet</b>	<b>-</b>	<b>-</b>

Particulars	Period ended 31st March 2019	Period ended 31st March 2018
	(Rs in Lakhs)	(Rs in Lakhs)
<b>19 REVENUE FROM OPERATION</b>		
<b>i) Sale of products:</b>		
CNC Turning Machines	328.50	183.88
Spare Parts	69.71	10.30
<b>Sub Total</b>	<b>398.21</b>	<b>194.17</b>
ii) Income from Services	84.30	9.64
iii) Scrap Sales	1.76	0.90
<b>Total Carried to Statement of Profit &amp; Loss</b>	<b>484.27</b>	<b>204.72</b>

20 OTHER INCOME	(Rs in Lakhs)	(Rs in Lakhs)
i) Interest income	0.77	0.91
ii) Dividend Income		
- from long term investments	0.06	0.06
iii) Provision no longer required withdrawn	-	4.25
iv) Profit on Sale of Free Hold Land & Assets	252.75	136.90
v) Other non operating income (net of expenses directly attributable to such income)	9.53	20.20
<b>Total Carried to Statement of Profit &amp; Loss</b>	<b>263.12</b>	<b>162.32</b>

21 COST OF MATERIALS CONSUMED	(Rs in Lakhs)	(Rs in Lakhs)
i) Consumption of raw materials	339.98	252.13
ii) Consumption of stores and spare parts	-	0.15
iii) Manufacturing Expenses	37.02	26.94
<b>Total Carried to Statement of Profit &amp; Loss</b>	<b>377.00</b>	<b>279.23</b>

22 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE		
<b>Stocks at the end of the year</b>		
i) Work in progress		
CNC Turning Machines	237.58	207.82
Indigenous Components	10.11	52.68
<b>Total</b>	<b>247.69</b>	<b>260.49</b>
Less:		
<b>Stocks at the beginning of the year</b>		
i) Work in progress		
CNC Turning Machines	207.82	116.11
Indigenous Components	52.68	52.75
<b>Total</b>	<b>260.49</b>	<b>168.86</b>
<b>Total Carried to Statement of Profit &amp; Loss</b>	<b>12.81</b>	<b>(91.64)</b>

# MIVEN MACHINE TOOLS LIMITED

## NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

			(Rs in Lakhs)
<b>23</b>	<b>EMPLOYEE BENEFIT EXPENSES</b>		
	i) Salaries and wages	72.32	65.65
	ii) Contribution to provident and other funds	8.84	8.64
	iii) Provision for Gratuity	4.19	3.87
	iv) Staff welfare expenses	2.74	2.06
	<b>Total Carried to Statement of Profit &amp; Loss</b>	<b>88.09</b>	<b>80.22</b>
<b>24</b>	<b>FINANCE COSTS</b>		
	i) Interest expense	127.63	172.81
	ii) Other borrowing costs	13.03	11.28
	<b>Total Carried to Statement of Profit &amp; Loss</b>	<b>140.65</b>	<b>184.09</b>
<b>25</b>	<b>DEPRECIATION AND AMORTIZATION</b>		
	i) Depreciation	11.04	14.88
	<b>Total Carried to Statement of Profit &amp; Loss</b>	<b>11.04</b>	<b>14.88</b>
<b>26</b>	<b>OTHER EXPENSES</b>		
	i) Power and fuel	9.12	7.79
	ii) Repairs to buildings	-	0.02
	iii) Repairs to machinery	-	1.76
	iv) Repairs others	0.28	0.33
	v) Insurance	0.84	0.79
	vi) Rates and taxes	22.69	10.57
	vii) Customer disallowance	-	-
	viii) Payment to auditors		
	- as auditor	1.50	1.50
	- for taxation matters		-
	- for other services	0.40	1.28
	- for reimbursement of expenses	0.67	0.66
	ix) Selling expenses	11.32	6.03
	x) Legal and professional charges	6.20	10.27
	xi) Directors sitting fees	0.23	0.35
	xii) Miscellaneous expenses	0.31	0.29
	xiii) Freight Inward	2.86	2.85
	xiv) Travelling Expenses		
	Directors	0.75	0.83
	Employees	15.94	12.17
	Others	0.41	0.38
	xv) Security Expense	12.26	12.54
	xvi) Vehicle Maintenance	0.94	0.15
	xvii) Excise Duty	-	5.69
	xviii) Printing and Stationery	0.29	1.07
	xix) Communication Charges	4.15	4.36
	xx) Estate Maintainance	-	0.02
	xxi) Membership & Subscription	0.18	0.41
	xxii) Advertisement	0.88	0.98



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## NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

xxiii) Liquidated Damages	-	1.95
xxiv) Pooja Expenses	0.15	0.19
xxv) Others	0.00	0.00
xxvi) Bad Debts Written off	1.93	7.72
<b>Total Carried to Statement of Profit &amp; Loss</b>	<b>94.31</b>	<b>92.95</b>

### NOTE 27: OTHER NOTES

- (A) The Net Liabilities of the Company exceed its assets by Rs. 1,512.04 Lakhs. Considering the business plans made by the Company, orders on hand, reorganization of product mix and with continued support from the Bankers, Promoters and the Holding Company, the Company expects to recover from the losses. In the view of Company, considering all the facts, including renewal of bank working capital limits, sale/disposal of the inventories on hand and the company's decision to sell surplus land duly approved by the shareholders to augment the working capital requirements and reduce debt, the assumption of 'Going Concern' is not vitiated even though the net worth is eroded. For the year ended 31st March 2019 the company has recorded Profit before and After Tax amounting to Rs. 24.40 Lakhs.
- (B) Confirmation of balance from certain suppliers have been called for and is awaited in some cases. The company does not expect any material variation in respect of these accounts.
- (C) The Company did not enter into any long term contracts and there are no material foreseeable losses to be recognised under applicable laws or accounting standards in the financial statements
- (D) Figures of Previous reporting period have been regrouped/ reclassified/ recast wherever required to conform to current reporting period's presentation

#### (E) Sale of Land

The shareholders of the company have approved sale of land aggregating to 14 Acres vide resolutions dated 26/04/2016 (6.5 Acres) and 09/08/2016 (7.5 Acres). During the year the company has completed sale of 5 Acres and 16 Guntas of Land for a sum of Rs. 258.00 Lakhs and the resultant gain of Rs. 252.39 Lakhs is included under Note:21-Other Income. During April 2019, property measuring 2.01 Acres has been sold for a consideration of Rs. 81.50 Lakhs.

#### (F) DISCLOSURE UNDER IND AS

##### i) Operating Segments - Ind AS 108

The company has only one business segment viz., Metal Cutting including grinding machines. All sales are in India. Hence disclosures required under INDAS 108- Operating Segment is not applicable.

##### (ii) Related Party Disclosures - IND AS 24

##### A. List of Related Parties

Name of Related Party	Nature of Relationship
Vikram Sirur Alka Sirur Sandeep Sirur Maithili Sirur Neelima Sheetal Amarnath Savur S G Gadagkar	Key Management Personnel (KMP) and their Relatives
N A Sirur (Hubli) Private Limited	Holding Company
Miven Mayfran Conveyors Private Limited Ruris Tecnal Extraction Systems Private Limited Cotmac Electronics Private Limited, Pune Pratt Automation Private Limited	Enterprises in which KMP and their relatives are able to exercise significant influence

# MIVEN MACHINE TOOLS LIMITED

## NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

### B. DETAILS OF TRANSACTIONS WITH RELATED PARTIES AND CLOSING BALANCES (Rs in Lakhs)

Name of Related Party	Nature of Relationship	Nature of Transaction	31-03-2019	31-03-2018
<b>(i) Transactions during the year</b>				
Vikram Sirur	KMP	Short Term Employee Benefits	12.00	11.37
		Posta Employment Benefits	2.38	2.25
S G Gadagkar	KMP	Short Term Employee Benefits	3.74	3.54
Vikram Sirur	KMP	Interest on Unsecured Loan	7.67	33.53
Vikram Sirur	KMP	Unsecured Loans received	114.66	43.70
Vikram Sirur	KMP	Unsecured Loans repaid	28.40	2.5
NA Sirur (Hubli) Pvt Ltd	Holding Co	Interest on Unsecured Loan	11.23	11.23
Ruris Tecnal Extraction Systems P Ltd		Interest on Unsecured Loan	15.74	17.44
Miven Mayfran Conveyors P Ltd	Enterprises in which KMP and relatives are able to exercise significant influence	Interest on Unsecured Loan	18.00	18.00
Miven Mayfran Conveyors P Ltd		Purchases	4.83	7.62
Miven Mayfran Conveyors P Ltd		Sales	44.85	1.13
Pratt Automation P Ltd		Sales	0.40	0.53

### (ii) Amounts due at the end of the year (Rs in Lakhs)

Name of Related Party	Relationship	Nature of Transaction	31-03-2019	31-03-2018
Vikram Sirur	KMP	Unsecured Loan Payable	256.28	209.11
NA Sirur (Hubli) Pvt Ltd	Holding Co	Unsecured Loan Payable	93.59	93.59
Ruris Tecnal Extraction Systems P Ltd	Enterprises in which KMP and relatives are able to exercise significant influence	Unsecured Loan Payable	174.22	172.20
		Interest Payable	85.39	71.23
		Unsecured Loan Payable	224.95	224.95
Miven Mayfran Conveyors P Ltd		Trade Payables	156.44	135.41
Pratt Automation P Ltd		Trade Receivables	0.17	0.52
Vrinda Mantri	Relative of KMP	Security Deposit Payable	-	1.00
Vikram Sirur and N A Sirur (Hubli) Private Limited	KMP and Holding Company	Guarantees Received	318.32	460.03

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## NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

### iii) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS (IND AS 37)

#### (a) PROVISIONS

(Rs in Lakhs)

Nature of Provision	At the beginning of the period	Additional Provisions during the year	Amounts used during the year	Unused amounts reversed during the period	At the end of the period
Employees Gratuity	24.30	3.60	-	-	27.90
Compensated Absences	-	-	-	-	-

#### (b) CONTINGENT LIABILITIES

(Rs in Lakhs)

Nature of Liability	As at	
	31/03/2019	31/03/2018
(i) Counter guarantees given to Bankers for guarantees given by them on behalf of the company	346.33	150.36
(ii) Claim of former employees/casual workers pending before Courts	0.84	0.84
(iii) Liability in respect of pending Sales Tax and Entry Tax assessments	Not Ascertainable	Not Ascertainable
(iv) Disputed Sales Tax Liability, Penalty and Interest in respect of FY 2005-06	1.79	1.79

#### (v) Municipal Tax in respect of Land

The company's manufacturing plant is situated in Tarihal Industrial Area, Tarihal, Hubli which was originally under Rainal Mandal Panchayat. Provision has been made in the books towards tax due to them for the period 1992 to 2003 aggregating to Rs.3.18 Lakhs (Rs.3.18 Lakhs). This panchayat subsequently merged with Hubli Dharwad Municipal Corporation (HDMC), Hubli. As the Industrial estate is yet to be fully developed by KIADB, the same has not been handed over to HDMC. However maintenance charges is being collected by KIADB which was remitted by the company till FY 2007-08. Subsequently KIADB made claims for annual maintenance charges and Interest for delayed payment totalling to Rs. 2.94 Lakhs (Rs. 2.94 Lakhs) which is disputed by the company. The company has remitted municipal tax to HDMC for the year 2016-17 and provision of Rs. 1.54 Lakhs for the FY 2017-18 has been made on the basis of claims made by HDMC. HDMC has claimed municipal tax, including interest thereon, aggregating to Rs. (Rs. 569.91 Lakhs) for the period from 1995 till 2016 which is disputed by the company through Greater Hubli Dharwad Industries Association. The company is confident that the claim relating to past periods will be withdrawn by the authorities and will not be payable in view of existing favourable court orders in respect of similar cases. Consequently no provision has been made in the books for these demands.

	As at 31/03/2019	As at 31/03/2018
(vi) Income Tax Demands on account of Withholding Tax	-	0.009

(vii) It is not possible to estimate the timing of outflow in respect of the above liabilities in view of the pending disputes.

# MIVEN MACHINE TOOLS LIMITED

## NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

### iv) Borrowing Costs - IND AS 23

The company has not capitalised any Borrowing Costs during the year

v) Earnings Per Share - IND AS 33	Period Ended 31st March 2019	Period Ended 31st March 2018
Profit (Loss) after tax as per Profit and Loss Account (Rs. in Lakhs)	23	(193)
Weighted Average Number of Shares	3,003,500	3,003,500
Profit (Loss) Per Share (in Rs.)	0.78	(6.42)
Comprehensive Loss for the year after tax expense (Rs. in Lakhs)	24	(190)
Weighted Average Number of Shares	3,003,500	3,003,500
Loss Per Share (in Rs.)	0.81	(6.32)

### vi) Impairment of Assets - IND AS 36

The company has not made any provision towards Impairment of Assets during the year.

### NOTE 27: OTHER NOTES

#### vii) IND AS 19 (Employee Benefits)

##### (a) Defined Contribution Plan :

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

Particular	Current Year	Previous Year
Employer's contribution to Provident & pension funds	5.52	5.30
Employer's contribution to superannuation fund	1.80	1.71

##### (b) Defined Benefit Plan:

###### (i) Leave Encashment (Compensated Absences)

(a) The Liability towards annual leave encashment for the year ended 31st March 2019 based on actuarial valuation using Projected Unit credit method has resulted in reduction in Present value of liability by Rs. 0.07 Lakhs. The Fund value with LIC Pension and Group Schemes has increased to Rs. 6.41 Lakhs as against present value of liability amounting to Rs. 4.46 Lakhs. The renewal premium contribution as per claim of LIC for the year amounting to Rs. 0.05 Lakhs [PY Rs. 0.06 Lakhs] has been paid and expensed during the year.

###### (b) Financial Assumptions

Discount Rate	7.50%	7.50%
Salary increases allowing for price inflation	7%	7%

###### (c) Demographic Assumptions

Mortality Rate	LIC(2006-08) Ultimate	
Employee Turnover (Depending on Age Factor)	1% to 3%	1% to 3%
Leave Availment Ratio	5%	5%

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### NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

#### (ii) Super Annuation Fund

The company operates Superannuation Fund scheme through a Policy obtained from Life Insurance Corporation of India. The annual contribution payable is provided in the accounts. As on 31st March 2019 a sum of Rs. 8.01 Lakhs [as on 31/03/2018 Rs. 6.21 Lakhs] is due as contribution towards the fund.

#### (iii) Gratuity

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.

#### 1. Reconciliation of opening and closing balances of defined benefit obligation:

Particular	Gratuity (funded) (Rs.)	
	As at March 31, 2019	As at March 31, 2018
Defined Benefit obligation at beginning of the year	34.66	32.34
Current Service Cost	2.35	2.27
Interest Cost	2.41	2.14
Actuarial (gain)/ loss	(0.27)	(2.09)
Benefits Paid	-	-
Defined Benefit obligation at end of the year	39.16	34.66
<b>2. Re-measurements</b>		
Actuarial Gain (Loss) due to changes in Financial Assumptions	(0.27)	(2.09)
<b>3.Reconciliation of opening and closing balance of fair value of plan assets:</b>		
Fair value of plan assets at beginning of the year	10.36	9.28
Expected return on plan assets	0.93	0.85
Employer Contribution	0.25	0.50
Benefits paid	-	-
Actuarial gain/(loss)	(0.28)	(0.27)
Fair value of plan assets at year end	11.26	10.36
<b>4.Reconciliation of fair value of assets and obligations:</b>		
Fair value of plan assets	11.26	10.36
Present value of obligation	39.16	34.66
Amount recognized in Balance Sheet under liabilities:	27.90	24.30

# MIVEN MACHINE TOOLS LIMITED

## NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

(Rs in Lakhs)

5.(a) Expense recognized during the year: (under “Note 24” Employee Benefit Expenses” in the Statement of Profit and Loss account)	Current Year (Rs.)	Previous Year (Rs.)
<b>Current Service Cost</b>	2.99	2.86
Return on Plan Assets	(0.65)	(0.58)
Interest Cost	2.41	2.14
	<b>4.76</b>	<b>4.41</b>
<b>(b) Amount recognised in Other Comprehensive Income (OCI)</b>		
Expected return on plan assets	(0.93)	(0.85)
Actuarial (gain)/ loss	0.02	(2.07)
<b>Net Cost</b>	<b>(0.91)</b>	<b>(2.92)</b>
<b>6. Actuarial assumptions :</b>		
Mortality Table (Indian Assured Lives)	2006-08 (Ultimate)	2006-08 (Ultimate)
Discount rate (per annum)	7.55%	7.55%
Expected rate of return on plan assets (per annum)	7.50%	7.50%
Rate of escalation in salary (per annum)	6.00%	6.00%

### 6. Sensitivity Analysis of significant assumptions

The following table presents a sensitivity analysis to one of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in relevant actuarial assumptions that were reasonably possible at the reporting date.

	Current Year	Previous Year
Discount Rate +0.5% Discount Rate -0.5% Discount Rate	Not Material or significant and hence analysis not made	
Salary Increase +0.5% Salary Growth -0.5% Salary Growth		

### 7. Investment Details

The Plan Assets under the fund are deposited under approved securities as under:	Current Year	Previous Year
Government of India Bonds	0.00%	0.00%
Others	0.00%	0.00%
Investment by Life Insurance Corporation of India in eligible Securities	100.00%	100.00%

# 34<sup>th</sup> Annual Report 2018 - 2019

## NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

### 8. Experience Adjustments

(Rs in Lakhs)

Particulars	31/03/2019	31/03/2018	31/03/2017	31/03/2016	31/03/2015
Defined Benefit Obligation	34.61	30.69	28.91	27.25	20.83
Plan Asset	11.26	10.36	9.28	9.02	11.24
Surplus/ (Deficit)	(23.35)	(20.33)	(19.63)	(18.23)	(9.59)
Experience Adjustment on Plan Liability	(0.26)	(1.07)	(3.31)	7.35	(0.63)
Experience Adjustment on Plan Assets	(0.28)	(0.27)	(0.30)	(0.17)	(0.05)

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.

### viii) FINANCIAL INSTRUMENTS - IND AS 107

#### A. Fair values and measurement principles

##### a) The carrying value and fair value of financial instruments by category are as follows:

Particulars	31 March 2019		31 March 2018	
	Carrying Amounts		Carrying Amounts	
	Carrying Amounts	Fair Values	Carrying Amounts	Fair Values
<b>Financial assets measured at fair value:</b>	-	-	-	-
	-	-	-	-
<b>Financial assets not measured at fair value:</b>				
Investments	0.50	0.50	0.50	0.50
Loans	-	-	-	-
Trade receivables	34.38	34.38	8.98	8.98
Cash and cash equivalents	16.66	16.66	13.84	13.84
Other financial assets	20.65	20.65	23.69	23.69
	72.19	72.19	47.02	47.02
<b>Financial liabilities measured at fair value:</b>				
Unsecured Interest Free Loans	358.86	274.00	272.60	224.81
	358.86	274.00	272.60	224.81
<b>Financial liabilities not measured at fair value:</b>				
Loans and borrowings	980.66	980.66	1,110.23	1,110.23
Trade payables	388.71	388.71	391.75	391.75
Other Financial Liabilities	319.04	319.04	262.75	262.75
	<b>1,688.41</b>	<b>1,688.41</b>	<b>1,764.72</b>	<b>1,764.72</b>

##### b) Transfers between the fair value hierarchy

There were no transfers in either direction in the fair value hierarchy during the year ended 31st March 2019.

#### B. Capital Management

The Company strives to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The board of directors seeks to maintain a balance between the higher returns and levels of borrowings and the advantages and security afforded by a sound capital position. Although the Net worth of the company is negative, due to accumulated losses, the management has taken effective steps to improve the financial position/performance by way of disposal of land, infusion of fresh loans.

# MIVEN MACHINE TOOLS LIMITED

## NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

The Company's adjusted net debt to equity ratio at 31 March 2019/2018 is as follows.

Particulars	31st March 2019	31st March 2018
Total borrowings 1	1,255	1,335
Less: Cash and bank balances 2	17	14
<b>Adjusted net debt</b>	<b>1,238</b>	<b>1,321</b>
Total equity	(1,512)	(1,576)
Less: Other components of equity		
<b>Adjusted equity</b>	<b>(1,512)</b>	<b>(1,576)</b>
<b>Adjusted net debt to adjusted equity ratio</b>	<b>(0.82)</b>	<b>(0.84)</b>

1 Total borrowings comprises of long-term borrowings, short-term borrowing and bank overdraft facilities.

2 Cash and bank balances comprises of cash in hand, cash at bank and term deposits with banks.

### C. Derivatives

NIL

### D. Financial risk management

The Company is broadly exposed to credit risk, liquidity risk and market risk as a result of financial instruments. The Company is exposed to financial risk, such as market risk (fluctuations in exchange rates, interest rates and price risk), credit risk and liquidity risk. The general risk management program of the Company focuses on the unpredictability of the market factors, and attempts to minimize their potential negative influence on the financial performance of the Company.

The Company's Board of Directors has the overall responsibility for the establishment, monitoring and supervision of the Company's risk management framework. Treasury Management Team in the company take appropriate steps to mitigate financial risks within the framework set by the top management. Company does not trade in derivatives for speculation.

#### (i) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from credit exposures from customers, cash and cash equivalents held with banks and current and non-current debt investments.

The Company regularly follows-up the receivable to minimise losses arising from credit exposure from credit customers. Credit control assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. Deposits and cash balances are placed with reputable scheduled banks.

The carrying amount of financial assets represents the Company's maximum exposure to credit risk. No other financial assets carry a significant exposure to credit risk.

#### Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, the management also considers the factors that may influence the credit risk of its customer base. Major Customers of the Company is Holding Company, where credit risk is relatively low.



## 34<sup>th</sup> Annual Report 2018 - 2019

### NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

The management has established a system under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, and in some cases bank references.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables based on factual information as on the Balance sheet date.

The maximum exposure to credit risk for trade and other receivables by geographic region was as follows.

Particulars	31st March 2019	31st March 2018
India	46.02	27.68
Other regions	-	-
<b>Total trade receivables</b>	<b>46.02</b>	<b>27.68</b>

As at 31 March 2019, the Company's most significant customer, accounted for Rs. 9,40,000/- of the trade and other receivables carrying amount (31 March 2018: 9,40,000).

Details for Trade and other receivables is as follows:

Particulars	31st March 2019	31st March 2018
Fully performed	38.52	20.68
Past due	7.50	7.00
Impaired	-	-
<b>Total trade and other receivables</b>	<b>46.02</b>	<b>27.68</b>

Any past due from Govt. Customers and those fully covered by guarantees or collaterals received are not tested for impairment.

The ageing analysis of the past due is presented in the following table:

Particulars	31st March 2019	31st March 2018
Past dues more than 180 days old	7.50	7.00
<b>Total of past receivables</b>	<b>7.50</b>	<b>7.00</b>

The credit quality of the financial assets is satisfactory, taking into account the allowance for doubtful trade receivables.

The fair value of collaterals held by the Company is as follows:

Particulars	31st March 2019	31st March 2018
Tangible assets	NIL	NIL
Security deposits	NIL	NIL
Bank guarantees	NIL	NIL
<b>Total fair value of collaterals held</b>	<b>NIL</b>	<b>NIL</b>

The movement in the loss allowance for impairment of trade receivables are disclosed in Note No. 7.

# MIVEN MACHINE TOOLS LIMITED

## NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

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Any past due from Government Customers and those fully covered by guarantees or collaterals received are not tested for impairment. The credit quality of the financial assets is satisfactory, taking into account the allowance for doubtful trade receivables. The Company has not received any collaterals for receivables as at reporting date.

The company has tested for impairment loss allowance at 31 March 2019 in respect of Trade Receivables and is of the firm opinion that the amounts stated as receivable will be fully realised and no allowance is called. for.

### **(ii) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset, or the risk that the Company will face difficulty in raising financial resources required to fulfil its commitments. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Liquidity risk is maintained at low levels through effective cash flow management, low borrowings and availability of adequate cash. Cash flow forecasting is performed internally by forecasts of the Company's liquidity requirements to ensure that it has sufficient cash to meet operational needs, to fund scheduled investments and to comply with loan covenants.

To ensure continuity of funding, the Company primarily uses short-term bank facilities in the nature of bank overdraft facility, cash credit facility and short-term borrowings to fund its ongoing working capital requirements needs.

### **Exposure to liquidity risk**

The table below details the Company's remaining contractual maturity for its financial liabilities and derivative financial liabilities. The contractual cash flows reflect the undiscounted cash flows of financial liabilities and derivative financial liabilities based on the earliest date on which the Company can be required to pay.

# 34<sup>th</sup> Annual Report 2018 - 2019

## NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

(Rs in Lakhs)

Contractual Cash flows				Adjustments	Carrying amount
Particulars	1 year or less	1 year to 5 years	5 years or more		
<b>31 March 2019</b>					
Non-derivative financial liabilities					
Non-current borrowings	-	749.04	-	-	833.90
Current borrowings	505.62		-	-	505.62
Trade payables	388.71		-	-	388.71
Other Financial Liabilities	319.04		-	-	319.04
Derivative financial liabilities					
Forward contracts used for hedging:					
- Outflow	-	-	-	-	-
- Inflow	-	-	-	-	-
	<b>1,213.37</b>	<b>749.04</b>	<b>-</b>	<b>-</b>	<b>2,047.26</b>
<b>31 March 2018</b>					
Non-derivative financial liabilities					
Non-current borrowings	-	699.85	-	-	747.64
Current borrowings	635.19		-	-	635.19
Trade payables	391.75		-	-	391.75
Other Financial Liabilities	262.75		-	-	262.75
Derivative financial liabilities					
Forward contracts used for hedging:					
- Outflow	-	-	-	-	-
- Inflow	-	-	-	-	-
	<b>1,289.68</b>	<b>699.85</b>	<b>-</b>	<b>-</b>	<b>2,037.32</b>

# MIVEN MACHINE TOOLS LIMITED

## NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

### (iii) Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity / commodity prices - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company uses derivatives to manage market risks. All such transactions are carried out within the guidelines set by the management.

The Company's activities expose it primarily to the financial risks of changes in foreign exchange rates and interest rate movements (refer to notes below on currency risk and interest risk). Currently there are no foreign exchange exposures. During the year ended 31 March 2018, there was no change to the manner in which the Company managed or measured market risk.

### (iv) Currency risk-NIL

Foreign currency risk is the risk arising from exposure to foreign currency movement that will impact the Company's future cash flows and profitability in the ordinary course of business.

The Company operates domestically and is not exposed to currency risk on account of its borrowings, other payables and receivables being in functional currency i.e. Indian Rupees.

**The currency profile of financial assets and financial liabilities as at 31 March 2019 and 31 March 2018 are as below:**

(Rs in Lakhs)

Particulars	Amount (Rs.)	Other Currencies			
<b>31 March 2019</b>					
Financial assets					
Cash and cash equivalents	16.66	-	-	-	-
Current investments	-	-	-	-	-
Trade and other receivables	46.02	-	-	-	-
Other current financial assets	-	-	-	-	-
Non Current Investments	0.50				
Other Non Current Financial Assets	9.01				
	<b>72.19</b>	-	-	-	-
Financial liabilities					
Non-current borrowings	749.04	-	-	-	-
Short-term borrowings	505.62	-	-	-	-
Trade and other payables	388.71				
Other non-current financial liabilities	-				
Other current financial liabilities	319.04	-	-	-	-
	<b>1,962.40</b>	-	-	-	-

## 34<sup>th</sup> Annual Report 2018 - 2019

### NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

<b>31 March 2018</b>					
<b>Financial assets</b>					
Cash and cash equivalents	13.84	-	-	-	-
Current investments	-	-	-	-	-
Trade and other receivables	27.68	-	-	-	-
Other current financial assets	-	-	-	-	-
Non Current Investments	0.50				
Other Non Current Financial Assets	4.99				
	<b>47.02</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>					
Non-current borrowings	699.85	-	-	-	-
Short-term borrowings	635.19	-	-	-	-
Trade and other payables	391.75	-	-	-	-
Other non-current financial liabilities	-	-	-	-	-
Other current financial liabilities	262.75	-	-	-	-
	<b>1,989.53</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# MIVEN MACHINE TOOLS LIMITED

## NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

### (v) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing instruments will fluctuate because of fluctuations in market interest rates.

#### Exposure to interest rate risk

The Company's interest rate risk arises from borrowings and loans and advances made. Borrowings availed at fixed rates expose the Company to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

Particular	Carrying amount	
	As at March 31, 2019	As at March 31, 2018
Fixed-rate instruments		
Financial assets	-	-
Financial liabilities	833.90	747.64
Variable-rate instruments		
Financial assets		-
Financial liabilities	505.62	635.19

### (vi) Equity and commodity price risk

Price risk is the risk of fluctuations in the value of assets and liabilities as a result of changes in market prices of investments. The Company has not invested in equity securities and hence it is not exposed to equity price risk. The Company does not invest in commodities and is not exposed to commodity price risk.



## 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 **34th Annual General Meeting of the Company, to be held at 11.30 AM on Friday, the September 27, 2019** at the registered office at Tarihal Industrial Area, Tarihal, Hubli 580026 (Karnataka) and at any adjournment thereof, in respect of such resolutions set out in the Notice convening the meeting as are indicated below:





**List of Resolutions:**

Resn. No.	Resolutions	Optional**		
		For	Against	Abstain
1	Adoption of Audited Financial Statements of the Company for the Financial Year ended 31st March 2019 together with the Directors' Report and Auditors' Report thereon.			
2	Appointment of Mr. Vikram R. Sirur (DIN 00312980), a Director who retires by rotation and being eligible, offers herself is eligible for reappointment.			
3	Appointment of Mrs. Alka Sirur (DIN 006717649) as the Director of the Company			
4	Re-appointment of Mr. Vikram Sirur (SIN 00312980) as the Managing Director for a period of three years			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019

Signature of Shareholder (s): \_\_\_\_\_

Signature of Proxy Holder (s): \_\_\_\_\_

**Affix  
Re. 1  
Revenue  
Stamp**

**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 39th Annual General Meeting of the Company.
3. \*\*It is optional to put an 'X' in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of member(s) in above box before submission.



## MIVEN MACHINE TOOLS LIMITED

Registered Office: Tarihal Industrial Area, Tarihal,

HUBLI - 580 026 (Karnataka)

CIN: L29220KA1985PLC007036

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

### ATTENDANCE SLIP

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

I hereby record my presence at the **34th Annual General Meeting of the Company held at 11-30 AM on Friday, the September 27, 2019** at the registered office at Tarihal Industrial Area, Tarihal, Hubli 580 026.

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

Signature

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

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

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

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

\*Applicable for member holding shares in electronic form

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

Signature





Google

Miven Machine Tools Limited

Miven Machine Tools Tharihal



## Miven Machine Tools Limited

Tarihal Industrial Area  
Hubli, Karnataka 580026

Tool Store

Business listings provided by Indiacom Yellow Pages Map data ©2015 Google 2 km







