



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
24th Floor, P J Towers, Dalal Street, Fort
Mumbai - 400001

August 18, 2020

Dear Sir/Madam,

Sub: Intimation of 35th Annual General Meeting of Miven Machine Tools Limited, Sending notice of AGM by email, Closure of Register of Members and E-voting, Scrutinizer of E-voting and cut-off date, Regulation 34 Annual Report:

Ref: Scrip Code 522036

1. 35th Annual General Meeting

This is to inform you that, pursuant to Section 96 of the Companies Act, 2013, Regulation 30 and other relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 35th Annual General Meeting (AGM) of the Company will be held on Monday, 14th September, 2020 at 11:30 A.M. through Video Conferencing (VC) and Other Audio Visual Means(OAVM).

2. Sending of Notice of AGM by email only:

In view of the relaxation granted by the Ministry of corporate Affairs vide its General Circular No. 20/2020 dated May 5, 2020 and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Notice of AGM, Directors Report, Auditors Report and other attachments will be sent to the shareholders by email only and physical notices and statements are not being sent to the shareholders.

3. Closure of Register of Members

We also hereby inform you that pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Register of Members of the Company will be closed from 07th September, 2020 to 14th September, 2020 (both days inclusive) for the purpose of AGM.

4. E-voting, Scrutinizer of E-voting and cut-off date

Pursuant to Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as may be amended from time to time and Regulation 44



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of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide e-voting facility to all its Members, to enable them to cast their votes electronically for all the resolutions set out in the Notice of Annual General Meeting.

The Company has engaged the services of Central Depository Services (India) Limited for the purpose of providing e-voting facility to all its Members.

Mr. Umesh Maskeri, Practicing Company Secretary has been appointed as the Scrutinizer by the Company to scrutinize the entire voting process in a fair and transparent manner.

The remote e-voting period shall commence at 11th September,2020 at 10:00 A.M. and will end at 13th September,2020 on 5:00 P.M. The remote e-voting module shall be disabled by CDSL thereafter.

The cut-off date for determining the eligibility of shareholders for remote e-voting rights and attendance at Annual General Meeting (AGM) is 07th September,2020. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on cut-off date, shall be entitled to avail the facility of E-voting.

In terms of Regulation 34 of SEBI (LODR) Regulations, 2015, please find the enclosed copy of Annual Report of the Company for the financial year ended March 31, 2020.

We request you to take on record of the same.

Thanking you,

For Miven Machine Tools Limited



Arpita Dhakane
Company Secretary and Compliance Officer

ANNUAL REPORT 2019-20

MIVEN MACHINE TOOLS LIMITED

CIN L29220KA1985PLC007036

**NOTICE OF
35TH ANNUAL GENERAL MEETING
DIRECTORS REPORT
EXTRACT OF ANNUAL RETURN
SECRETARIAL AUDIT REPORT
AUDITORS REPORT AND
AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
MARCH 31, 2020**

MIVEN MACHINE TOOLS LIMITED
35th ANNUAL REPORT 2019-20

BOARD OF DIRECTORS

Mr. Vikram R Sirur: Managing Director

Mr. Shyam M Sirur

Mr. Nandan M Balwalli

Mr. Anand B Kamalapur

Mrs. Alka V Sirur

Chief Financial Officer : Mr. S G Gadagkar

Company Secretary : Mrs. Arpita R Dhakane

Auditors : M/s Rao Associates, Chartered Accountants,
Bangalore

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

Registrar and Transfer Agents:

BgSE Financials Limited

RTA Division, 4th Floor, Stock Exchange Towers

No 51, 1st Cross, J C Road, Bangalore-560027

35th ANNUAL REPORT 2019-20

MIVEN MACHINE TOOLS LIMITED

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MIVEN MACHINE TOOLS LIMITED
Registered Office: Tarihal Industrial Area, Tarihal,
HUBLI – 580 026 (Karnataka)
CIN: L29220KA1985PLC007036
Website: www.mivenmachinetools.in
Tel.No.0836-2212221-24 E-mail: mmtsecretarial@gmail.com

NOTICE OF 35TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 35th (Thirty Fifth) Annual General Meeting of the members of Miven Machine Tools Limited, will be held at 11-30 AM on Monday, the September 14, 2020 through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”) organised by the Company (and subject to the receipt of permission from the relevant authorities, if necessary, and subject to the local conditions in view of the outbreak of COVID 19 pandemic prevalent on that date) with additional facility of participation through physical presence of members at the Meeting Hall of Miven Mayfran Conveyors Private Limited, Sirur’s Compound, Karwar Road, Hubli- 580024 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Statements of Profit and Loss account of the Company for the Financial Year ended March 31, 2020 and the Balance Sheet on the said date along with 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, 2020, 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. Shyam Mohan Sirur, who retires by rotation and being eligible offers herself for re-appointment and in this connection, to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Shyam Mohan Sirur (DIN 00134226), who retires by rotation and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company and who shall be liable to retire by rotation”

By Order of the Board of Directors
for Miven Machine Tools Limited

Arpita R Dhakane
Company Secretary
ACS No A54201

Place: Hubli
Date: August 18, 2020

NOTES:

1. In view of the outbreak of the COVID-19 pandemic, Ministry of Corporate Affairs (“MCA”) has vide Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020, (collectively referred to as “MCA Circulars”) has advised the companies to provide the facility of participation of members at the Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM), without the physical presence of the Members at a common venue. Subject to the receipt of permission from the relevant authorities, if necessary, and after following any advisories issued by such authorities and subject to the local conditions arising out of spread of COVID 19 pandemic and convenience prevalent on the date of the AGM, the Company will endeavour to hold the Annual General Meeting with the physical presence of the members at the Meeting Hall of Miven Mayfran Conveyors Private Limited, Sirur’s Compound, Karwar Road, Hubli- 580024 in addition to the facility of participation through VC mode . All the members who are physically present in the meeting as well as the members who attend the meeting through VC facility by VC or OAVM shall be reckoned for the purpose of quorum under Section 103 of the Companies Act, 2013. All resolutions shall continue to be passed through the facility of remote e-voting system only and there will not be any voting through the physical ballot papers. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM. Central Depository Services (India) Limited (‘CDSL’) has provided the facility for voting through remote e-voting, for participation in the AGM through VC / OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC / OAVM is explained at Note No. (6) to (10) below and is also available on the website of the Company www.mivenmachinetools.in.
- 1.
2. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting, as provided in Section 113 of the Companies Act, 2013. The said Resolution/Authorization shall be sent by email through its registered email address to mmtsecretarial@gmail.com with a copy marked to evoting@cdsl.co.in.
3. In accordance with, the General Circular No. 20/2020 dated May 5, 2020 issued by MCA and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by SEBI, the financial statements including Report of Board of Directors, Auditor’s report or other documents required to be attached therewith and the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depositories/Depository Participant(s).
4. **Process for registration of email id for obtaining Annual Report and user id/password for e-voting:**

Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Registrar and Transfer Agents of the Company BgSE Financials Limited at avp_rta@bfsi.co.in along with the copy of the signed request letter mentioning the name and address of the Member, scanned copy of the share certificate (front and back), self-attested copy of the PAN card and self-attested copy of any document (eg.: Driving License, Election Identity Card, Passport) in support of the address of the Member. Members holding shares in dematerialised mode are requested to register/update their

email addresses with the relevant Depository Participants. In case of any queries/difficulties in registering the e-mail address, Members may write to avp_rta@bfsi.co.in

5. The Notice of AGM along with Annual Report for the financial year 2019-20 is available on the website of the Company at www.mivenmachinetools.in on the website of Stock Exchanges i.e. BSE Limited.

PROCEDURE FOR JOINING THE AGM THROUGH VC / OAVM:

6. The Members will be able to attend the AGM through VC/OAVM or view the webcast of AGM provided by CDSL at <https://www.evoting.cdsl.com> by using their remote e-voting login credentials and selecting the EVSN for Company's AGM. The link for VC / OAVM will be available in Members login where the EVSN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice. Further Members can also use the OTP based login for logging into the e-voting system of CDSL.
7. The facility of joining the AGM through VC/OAVM shall open 15 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
8. If a member has any queries or issues regarding attending AGM & e-Voting from the remote evoting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited, (CDSL), A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

Members who need assistance before or during the AGM can contact CDSL on the aforesaid contact numbers and email ids. Please note that participants connecting from Mobile devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at www.mivenmachinetools.in. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM i.e. www.evotingindia.com

9. The Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

PROCEDURE TO RAISE QUESTIONS DURING ANNUAL GENERAL MEETING:

10. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, demat account number/folio number, email Id, PAN, mobile number at mmtsecretarial@gmail.com from (10:00 A.M. IST) September 4, 2020 to 5:00 P.M. IST on September 11, 2020. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **at least seven days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

PROCEDURE FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM:

11. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice.
12. Members may cast their votes on electronic voting system from any place (remote e-voting). The remote e-voting period commences from 10:00 A.M. IST on Friday the September 11, 2020 and ends on 5:00 P.M. IST on September 13, 2020. During this period, Members holding shares either in physical form or in dematerialized form, as on Monday, the September 7, 2020 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
13. The Board of Directors has appointed Mr. Umesh Maskeri (Membership No. 4831 and CP No. 12074) as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
14. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
15. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.
16. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@cdsl.co.in. However,

if he/she is already registered with CDSL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

17. The details of the process and manner for remote e-voting are explained herein below:

- (i) The voting period begins on <Date and Time> and ends on <Date and Time>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date> may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on "Shareholders" module.
- (v) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from [Login - Myeasi](#) using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

| For Shareholders holding shares in Demat Form and Physical Form | |
|--|--|
| PAN | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v). |

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login

password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL’s mobile app “**m-Voting**”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.

2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **Company/RTA email id**.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- 1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote

- e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
 3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
 5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast seven days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance seven days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
 6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:

The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

1. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
2. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xx) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to 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 linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

Notice of 35th AGM

- 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.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; secretarial@mivenmachinetools.in (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43..

Other information:

18. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.cdsl.com to reset the password.
19. In case of any queries relating to e-voting, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of <https://www.evoting.cdsl.com> or call on toll free no.: 1800-200-5533 or send a request to helpdesk.evoting@cdslindia.com
20. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
21. The results of the electronic voting shall be declared to the Stock Exchanges after the conclusion of AGM. The results along with the Scrutinizer’s Report, shall also be placed on the website of the Company at www.mivenmachinetools.in and on the website of CDSL, <https://www.evoting.cdsl.com> immediately. The Company shall simultaneously forward the results to the BSE Limited, where the shares of the Company are listed.
22. The venue of the meeting shall be deemed to be the Meeting Hall of Miven Mayfran Conveyors Private Limited, Sirur’s Compound, Karwar Road, Hubli- 580024.

Notice of 35th AGM

23. All the documents referred to in the accompanying Notice and Explanatory Statements, shall be available for inspection through electronic mode, upon the request being sent on gmtsecretarial@gmail.com from 10 AM on (date of despatch of notice of AGM) upto 5 PM on dd/mm/2020 (mention one day prior to the date of AGM).
24. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Monday, the September 7, 2020 through email on gmtsecretarial@gmail.com. The same will be replied by the Company suitably.
25. As per the provisions of Section 72 of the Act, and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form may file nomination in the prescribed Form SH.13 with BgSE Financials Limited. In respect of shares held in dematerialize form, the nomination may be filed with the respective Depository Participants. Members who are holding shares in a single name are advised to avail the nomination facility on a priority basis to save the prospective legal heirs from hassles of going through the legal process.
26. SEBI has mandated that securities of listed companies can be transferred only in dematerialised form from April 01, 2019, except in case of transmission and transposition of securities. In view of the same and to avail various benefits of dematerialisation, Members are advised to dematerialise shares held by them in physical form and for ease in portfolio management.
27. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / BgSE Financials Limited.
28. The Register of Members and share transfer books will be closed from September 7, 2020 to September 14, 2020 (both days inclusive) for the purpose of Annual General Meeting, pursuant to the provisions of Section 91 of Companies Act, 2013.

By Order of the Board of Directors
for Miven Machine Tools Limited

Arpita R Dhakane
Company Secretary
Membership ACS No.A54201

Place: Hubli
Date: August 18, , 2020

Notice of 35th AGM

Details of Director seeking appointment and re-appointment as Directors at this Annual General Meeting pursuant to the provisions of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard-2 on General Meetings

| | |
|--|--|
| Particulars | Mr. SHYAM MOHAN SIRUR |
| DIN | 00134226 |
| Date of Birth and Age | August 9, 1948 Age: 71 years |
| Date of appointment | 30/03/2002 |
| Qualifications | Bachelor of Engineering |
| Expertise in specific functional areas | Has over 50 years of experience in the field of industrial electronics and automation products. Contributed to enhance efficiency and increase in production of several group companies engaged in electronics and ancillary industries. |
| Directorship held in public and private companies (excluding foreign companies) | Miven Machine Tools Limited MIPRO International Private Limited Cotmac Private Limited N A Sirur (Hubli) Private Limited Cotmac Precision Castings Private Limited Cotmac Electronics Private Limited Softech Controls Private Limited Sibella Private Limited Mogora Cosmic Private Limited Cotmac Industrial Trading Private Limited Cotmac Infotech Private Limited Sibella Technologies Private Limited IAG Automation Private Limited |
| Memberships/Chairmanships of companies (only Audit and Stakeholder Relationship Committee) | Nil |
| Shareholding in the Company | Nil |

By Order of the Board of Directors
for Miven Machine Tools Limited

Arpita R Dhakane
Company Secretary
ACS No A54201

Place: Hubli
Date: August 18, 2020

MIVEN MACHINE TOOLS LIMITED
Registered Office: Tarihal Industrial Area, Tarihal,
HUBLI – 580 026 (Karnataka)
CIN: L29220KA1985PLC007036

Tel.No.0836-2212221-24; Email: mtsecretarial@gmail.comwww.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 35th **Annual General Meeting** of the Company held at 11-30 AM on Monday , the September 14, 2020 at the Meeting Hall of Miven Mayfran Conveyors Private Limited, Sirur's Compound, Karwar Road, Hubli- 580024 .

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: _____

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 | |
| Email ID | |
| DP ID Client id/Folio 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: _____

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 35th Annual General Meeting of the Company, to be held at 11-30 AM on Monday , the September 14, 2020 at Meeting Hall of Miven Mayfran Conveyors Private Limited, Sirur's Compound,

Notice of 35th AGM

Karwar Road, Hubli- 580024 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 31 st March 2020 together with the Directors' Report and Auditors' Report thereon. | | | |
| 2 | Appointment of Mr. Shyam Mohan sirur (DIN 0134226) who retires by rotation and being eligible, offers herself is eligible for reappointment | | | |

Signed this _____ day of _____ 2020

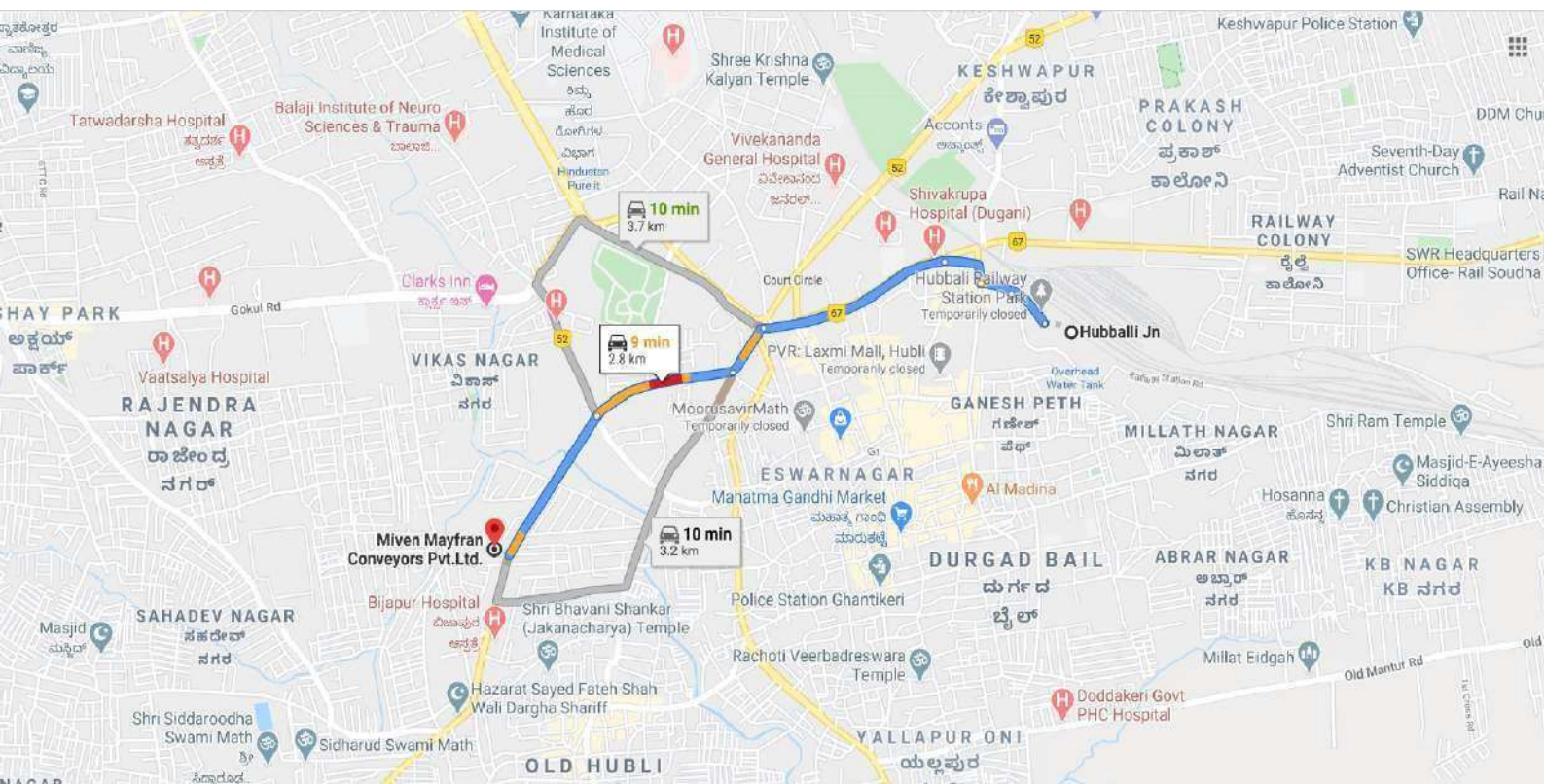
Signature of Shareholder (s): _____

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 35th 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.
5. Please complete all details including details of member(s) in above box before submission.



MIVEN MACHINE TOOLS LIMITED
DIRECTORS REPORT 2019-20

DIRECTORS' REPORT 2019-20

**TO THE MEMBERS
MIVEN MACHINE TOOLS LIMITED**

The Directors present the Thirty Fifth Annual Report and the Audited Financial Statements of Miven Machine Tools Limited ("Company") for the Financial Year ("FY") ended March 31, 2020.

1. FINANCIAL SUMMARY/HIGHLIGHTS

(Rs. in lakhs)

| FINANCIAL RESULTS | Financial Year ended 31-03-2020 | Financial Year ended 31-03-2019 |
|--|--|--|
| Gross Income | 577.52 | 484.27 |
| Other income | 871.52 | 263.12 |
| Total income | 1449.04 | 747.39 |
| Operating Expenses | 745.35 | 571.29 |
| Profit (Loss) before interest and Depreciation | 703.35 | 176.10 |
| Finance Cost | 120.29 | 140.65 |
| Depreciation and amortization expenses | 10.09 | 11.04 |
| Net Profit / (Loss) | 573.31 | 24.41 |

2. OPERATIONS AND STATUS OF COMPANY'S AFFAIRS

During the year under review, your company achieved a turnover of Rs. 577.52 lakhs from manufacturing operations as against previous year's turnover of Rs. 484.27 lakhs. Company has received a sum of Rs 871.52 lakhs from sale of land. Company earned a profit after tax of Rs. 573.31 lakhs as against profit of Rs. 24.41 lakhs during the previous financial year.

The machine tools industry continues to be 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 accumulated losses of the Company and with a view to conserve the resources, the Board of Directors do not recommend any dividend for the year.

4. AMOUNT PROPOSED TO BE CARRIED TO RESERVE:

In view of the financial position of the Company during the FY 2019-20, the company does not propose to transfer any amount to the reserves.

5. APPROVAL FOR SALE OF LAND DURING PREVIOUS YEAR

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:

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

In pursuance to the said approval granted by the shareholders, the company had sold 8 acres of land and has received a sum of Rs.263.12 lakhs during the financial year 2018-19. The proceeds from sale of land has been utilized towards repayment of loan taken from SVC Co-operative Bank Limited. ujmnu

6. APPROVAL OF SHAREHOLDERS FOR SALE OF LAND OF 7.5 ACRES BY POSTAL BALLOT

During the financial year, the Company had launched the postal ballot exercise and sought he approval of the shareholders to sell 7.5 acres of land. Voting through postal ballot and remote e-voting opened on August 9, 2019 and closed on September 7, 2019. The shareholders of the company approved by means of special resolution the sale of 7.5 acres of land and authorised the Board of Directors to take all steps to implement the resolution.

7. SALE OF LAND AND PROCEEDS

In terms of the approval granted by the shareholders of the company as mentioned above, Company sold 7.5 acres of land situated at Survey No 92/2 and 92/3 at Tarihal Industrial area, Tarihal, Hubli to Kamal Trading Coporation at a consideration of Rs. 80 lakhs per acre.

8. TAKING ON LEASE OF LAND

Simultaneously with the sale of aforesaid 7.5 acres of land, Company has taken on long term lease of 30,000 Square feet of industrial shed on which factory, machinery and materials are located , situated at Survey No 92/2 and 92/3 at Tarihal Industrial area, Tarihal, Hubli from Kamal Trading Corporation.

9. REPAYMENT OF LOAN TAKEN FROM SVC BANK AND SATISFACTION OF CHARGE

Company utilised the amount received towards sale of land towards repayment of overdraft availed from SVC Bank Limited. After receipt of No Dues letter from SVC Bank on, company filed the form for satisfaction of charge with the Registrar of Companies. The ROC has issued the certification of satisfaction of charge on December 30, 2019. As a result of this development, the assets of the company have become completely free from any charge or encumbrance from any Bank and financial institution.

10. TEMPORARY SUSPENSION OF MANUFACTURING ACTIVITIES OWING TO OUTBREAK OF COVID 19 PANDEMIC

The country saw unprecedented economic crisis as a result of outbreak of COVID 19 pandemic. Owing to the curfew and complete lockdown with several restrictions on movement of persons, absence of transport facilities as directed by the Government of India, Government of Karnataka and several other state governments and municipal corporations, company was compelled to temporarily suspend the manufacturing operations with effet from March 23, 2020. With the lifting of the partial lock down, company re-started the operations on a limited scale with effect from May 25, 2020.

11. MATERIAL IMPACT OF COVID-19 PANDEMIC ON OPERATIONS AND PERFORMANCE

- With the various restrictions imposed since beginning of March 2020 and the lockdown announced from March 21, 2020 in the State of Karnataka and from 24th March 2020 nation-wide, all the operations including field and manufacturing operations came to standstill since then. Company restarted its manufacturing operations on May 25, 2020 with limited number of employees on a restricted scale. The restart of operations has been slow due to various reasons such as restrictions on movement, interruption in transport facilities, bottleneck in infrastructure, lack of labour, restriction on employees and suppliers, a large number of areas under red zone, etc.
- Profitability for the first quarter of the financial year 2020-21 will be impacted since major part of the quarter was lost under lockdown and a sub-optimal level of operations since restart of operations on a limited scale. Q1 FY20-21 along with future development under this situation may have an impact of the financial performance of the Company.

Steps taken to ensure smooth functioning of operations:

- Sanitisation of workplace as well as company transport per the norms
- Ensured availability of mask, sanitizers and liquid hand wash to all employees at workplace
- Continuous communication on caution to be exercised
- Facilitated safe distance at workplace, canteen, company transport

Capital and Financial Resources:

The Company does not propose to raise any further capital / debt as the current financial position of the Company is sound. Liquidity position of the Company is stable and is being maintained to meet its commitments. Salaries to all the employees including casual and contract workmen were paid up to April 2020. The vendor payments are being released in a staggered manner. All statutory dues were paid on respective due dates. The Company, with focus on its dues from customers, has managed to collect part of its due amounts, though the credit period remains elongated due to the nation-wide lockdown.

Ability to service debt and other financial arrangement:

Company has does not have any outstanding loans or working capital limits with banks and any financial institutions. Company may have temporary difficulty to service the debt in the form of Inter corporate deposits taken from sister concerns or directors and there may be delay in making payment of interest due thereon. None of the assets of the Company have been impacted or impaired.

The Company is well positioned to fulfil its obligations and existing contracts/arrangements. Since the Government has declared CoVID-19 pandemic as natural calamity, most of supply contracts will be subject to *force majeure clause*.

Estimation of the future impact of CoVID-19 on its operations:

- The Covid19 pandemic situation is unprecedented and exceptional. The future impact of the pandemic on the operations the Company can't be gauged with certainty as the same hinges upon future development, the Governments response to the situation to mitigate or contain its impact on the economies and the probable medical treatment discovery.
- However, the Company is confident about adopting to the changing business environment and gear up to overcome the challenges.

12. 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.

13. 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.

14. 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 2019-20.

15. 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.

16. 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.

17. 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").

18. REAPPOINTMENT OF DIRECTOR

In accordance with the provisions of Companies Act, 2013 and the Articles of Association of the Company, Mr Shyam M. Sirur (DIN 00134226), is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

19. NUMBER OF MEETINGS OF THE BOARD

During the financial year 2019-20, Company held 6 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 27, 2019 are furnished below:

**MIVEN MACHINE TOOLS LIMITED
DIRECTORS REPORT 2019-20**

| No | Name of Director | No of Board Meetings held during the tenure of Director | No of Board Meetings attended | Attendance at the last AGM |
|----|--------------------------|---|-------------------------------|----------------------------|
| 1 | Mr. Vikram R Sirur | 6 | 5 | Yes |
| 2 | Mr. Shyam M Sirur | 6 | 4 | No |
| 3 | Mr. Nandan M Balwalli | 6 | 6 | No |
| 4 | Anand Bindurao Kamalapur | 6 | 2 | Yes |
| 5 | Mrs. Alka Vikram Sirur | 6 | 5 | Yes |

20. 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 AnandKamalapur and Mr Nandan M Balwalliduring their tenure stating that they have met the criteria of independence. In the opinion of the Board, MrAnand 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.

21. 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.

22. 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.

23. KEY MANAGERIAL PERSONNEL

The following persons continue to be the Key Managerial Personnel of the Company pursuant to the provions of Section 203 of the Companies Act, 2013:

- 1) Mr. Vikram R Sirur: Managing Director
- 2) Mr. S G Gadagkar – Chief Financial Officer
- 3) Ms. Arpita Dhakane as Company Secretary

24. 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 2019-20.

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.

25. 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.

26. Board and its Committees

a. Board

Six Board Meetings were held during FY 2019-20.

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 2019-20 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.

MIVEN MACHINE TOOLS LIMITED
DIRECTORS REPORT 2019-20

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.

27. 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.

28. 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.

29. 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.

30. 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 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 June 29, 2020 and hence there is no need to furnish any explanation by the Board of Directors thereon.

33. INFORMATION ON MATERIAL CHANGES AND COMMITMENTS

Particulars of sale of land of 7.5 acres for a consideration of Rs 5.6 crore, repayment of overdraft facility taken from SVC Bank Limited and satisfaction of charge on the assets of the company have been the important material changes and commitment during the financial year, the details of which have been furnished in para (7), (8) and (9) herein.

34. RELATED PARTY TRANSACTIONS

During the year, the Company has entered into any transactions with Related Parties which are in the ordinary course of business or on an arm's length basis and which require disclosure in this

MIVEN MACHINE TOOLS LIMITED
DIRECTORS REPORT 2019-20

Report in terms of the provisions of Section 188(1) of the Act. 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.

35. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS

During the year under review no significant and material orders were passed.

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 2019-20:
Not applicable as the company has been incurring operating losses.

ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary – if any, in the financial year 2019-20:

There was no increase in remuneration of any Director, CFO or Company Secretary during the financial 2019-20.

iii) The percentage increase in the median remuneration of employees in the financial year 2019-20:

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:

MIVEN MACHINE TOOLS LIMITED
DIRECTORS REPORT 2019-20

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 operating loss, no comparison is possible.

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

Not Applicable.

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

Not Applicable

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

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

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

- 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 and are currently classified under the trading segment fo periodical call auction. The opening price during the financial year under report was Rs. 10.37 and the closing price was Rs. 5.20 on the equity share of face value of Rs 10 each. The market capitalization of the company as on March 31, 2020 was Rs 155.88 lakhs as against Rs 241.78 lakhs on March 31, 2019.

The price earning ratio (P E ratio) as on March 31, 2020 on the earning per share of Rs 19.09 works out to 0.27.

40. EXTRACT OF THE ANNUAL RETURN

In terms of the amended provisions of Section 134 (3)(a) of the Companies Act,2013, an extract of the Annual Return in the prescribed Form MGT-9 has been displayed on the website of the company i.e. at www.mivenmachinetools.in. Members are requested to access the information by referring to the link MGT-9 for FY 2019-20 /investor relations/www.mivenmachinetools.in. In view of the amended provisions mentioned above, extract of annual return is not attached to this Report.

MIVEN MACHINE TOOLS LIMITED
DIRECTORS REPORT 2019-20

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.

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

**Vikram R Sirur
Managing Director
DIN 0312980**

**Anand B Kamalapur
Director
DIN 000474775**

Hubli
July 24, 2020

Registered Office:
Tarihal Industrial Area, Tarihal
Hubli

MANAGEMENT DISCUSSION AND ANALYSIS

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 new opportunities for the manufacturing sector in general including the segment in which your company is operating. 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, longer time for conversion into sales, , 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 got the survival of this industry. Moreover, the machine tools industry has been experiencing the trends of recession since a long time.

With the various restrictions imposed since beginning of March 2020 and the lockdown announced from 21st March, 2020 in the State of Karnataka and from 24th March 2020 nationwide, all the operations including field and manufacturing operations came to standstill since then. Company restarted its manufacturing operations on May 25, 2020 with limited number of employees on a restricted scale. The restart of operations has been slow due to various reasons such as restrictions on movement, interruption in transport facilities, bottleneck in infrastructure, lack of labour, restriction on employees and suppliers , a large number of areas under red zone, etc.

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

After the temporary suspension of manufacturing operations with effect from March 24,2020 owing to the outbreak of COVID 19 pandemic, Company restarted its manufacturing operations on May 25, 2020 with limited number of employees on a restricted scale.

The restart of operations has been slow due to various reasons such as restrictions on movement, interruption in transport facilities, bottleneck in infrastructure, lack of labour, restriction on employees and suppliers , a large number of areas under red zone, etc.

Profitability for the first quarter of the financial year 2020-21 will be impacted since major part of the quarter was lost under lockdown and a sub-optimal level of operations since restart of operations ona limited scale.

FY20-21 along with future development under this situation may have an impact of the financial performance of the Company. The outlook does not seem to be encouraging although s the market

acceptability of the product is quite sound.. The Company has repaid all the loans taken from the banks and hence 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

With the various restrictions imposed since beginning of March 2020 and the lockdown announced from 21st March, 2020 in the State of Karnataka and from 24th March 2020 nationwide, all the operations including field and manufacturing operations came to standstill since then. Company restarted its manufacturing operations on May 25, 2020 with limited number of employees on a restricted scale. The restart of operations has been slow due to various reasons such as restrictions on movement, interruption in transport facilities, bottleneck in infrastructure, lack of labour, restriction on employees and suppliers , a large number of areas under red zone, etc.

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 577.52 lakhs from operations and Rs 871.52 lakhs being towards the sale of land during the current financial year. The company has earned a profit after tax of Rs 2573.31 lakhs during the financial year ended March 31, 2020 as against a profit of Rs 24.41 lakhs during the previous financial year. Company continues to incur operating losses.

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

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

A. CONSERVATION OF ENERGY:

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

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

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

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

- (iii) Capital investment on energy conservation equipments:

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

B. TECHNOLOGY ABSORPTION

- i) Efforts made towards technology absorption:

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

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

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

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

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

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

**Vikram R Sirur
Managing Director**

**Anand B Kamalapur
Director**

DIN

Hubli

July 27, 2020

Registered Office:

Tarihal Industrial Area, Tarihal

Hubli

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2020

(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 | 2822 | 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) Private Limited , Syed Building, Lamington Road, Hubli – 580 020 | U17111KA1981PTC004382 | Holding | 74.98 | 2(46) |

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

i.) Category-wise Share Holding:

| Category of shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|--------------------------|---|----------|-------|-------------------|---|----------|-------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |

| | | | | | | | | | |
|--|---------|-----|---------|-------|---------|-----|---------|-------|-----|
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| g) Individual / HUF | 500 | Nil | 500 | 0.02 | 500 | Nil | 500 | 0.02 | Nil |
| h) Central Govt. | | | | | | | | | |
| i) State Govt(s) | | | | | | | | | |
| j) Bodies Corp. | 2252100 | Nil | 2252100 | 74.98 | 2252100 | Nil | 2252100 | 74.98 | Nil |
| k) Banks / FI | | | | | | | | | |
| l) Any Other..... | | | | | | | | | |
| Sub-total (A) (1) : | 2252600 | Nil | 2252600 | 75.00 | 2252600 | Nil | 2252600 | 75.00 | Nil |
| (2) Foreign | | | | | | | | | |
| a) NRIs - Individuals | | | | | | | | | |
| b) Other – Individuals | | | | | | | | | |
| c) Bodies Corp | | | | | | | | | |
| d) Banks / FI | | | | | | | | | |
| e) Any Other | | | | | | | | | |
| Sub-total (A) (2): | 00 | Nil | 00 | 00 | 00 | Nil | 00 | 00 | Nil |
| Total Shareholding of Promoter (A) = (A)(1)+(A) (2) | 2252600 | Nil | 2252600 | 75.00 | 2252600 | Nil | 2252600 | 75.00 | Nil |

| | | | | | | | | | |
|---|--------|--------|--------|-------|--------|--------|--------|-------|-------|
| B. Public Share – holding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | | | | | | | | | |
| b) Banks / FI | | | | | | | | | |
| c) Central Govt. | | | | | | | | | |
| d) State Govt(s) | | | | | | | | | |
| e) Venture Capital Funds | | | | | | | | | |
| f) Insurance Companies | | | | | | | | | |
| g) FIs | | | | | | | | | |
| h) Foreign Venture Capital Funds | | | | | | | | | |
| i) Others (Specify) | | | | | | | | | |
| Sub-total (B)(1): | 00 | 00 | 00 | 00 | 00 | 00 | 00 | 00 | 00 |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 16632 | 50000 | 66632 | 2.22 | 16732 | 50000 | 66732 | 8.89 | 6.67 |
| ii) Overseas | | | | | | | | | |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital up to Rs. 2 lakh | 135730 | 285099 | 420829 | 14.01 | 139603 | 280499 | 420102 | 55.95 | 41.94 |
| ii) Individual shareholders holding | 262232 | 0 | 262232 | 8.73 | 262232 | 0 | 262232 | 34.92 | 26.19 |

| | | | | | | | | | |
|---|---------|--------|---------|--------|---------|--------|---------|--------|-----|
| nominal share capital in excess of Rs. 2 lakh | | | | | | | | | |
| c) Others (specify) | 1207 | 0 | 1207 | 0.04 | 1834 | 0 | 1834 | 0.24 | 0.2 |
| Sub-total (B)(2) | 415801 | 335099 | 750900 | 25.00 | 420401 | 330499 | 750900 | 25.00 | Nil |
| Total Public Shareholding (B) = (B)(1) + (B)(2) | 415801 | 335099 | 750900 | 25.00 | 420401 | 330499 | 750900 | 25.00 | Nil |
| C. Shares held by Custodian for GDRs & ADRs | | | | | | | | | |
| Grand Total (A+B+C) | 2668401 | 335099 | 3003500 | 100.00 | 2673001 | 330499 | 3003500 | 100.00 | Nil |

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 |
| | Total | 2252600 | 75.00 | Nil | 2252600 | 75.00 | Nil | Nil |

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

| SL. No. | | Shareholding at the beginning of the year | | Cumulative Share holding during the year | |
|---|--|---|----------------------------------|--|----------------------------------|
| | | No. of Shares | % of total shares of the company | No. of Shares | % of total shares of the company |
| There is no change in the Promoters/ Shareholding during the year | | | | | |

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

| Sr no | Name of the shareholder | Shareholding at the beginning of the year as on 01.04.2019 | | Cumulative Shareholding end of the year as on 31.03.2020 | |
|-------|--|--|----------------------------------|--|----------------------------------|
| | | 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 | GURUDEVJI ASHOKKUMAR SHETTY | 21333 | 0.71 | 21333 | 0.71 |
| 10 | SAGARIKA INFRASTRUCTURE PRIVATE LIMITED | 15079 | 0.005 | 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 |

V. **INDEBTEDNESS:**

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

(Rupees in Lakhs)

| Particulars | Secured Loans excluding | Unsecured Loans | Deposits | Total Indebtedness |
|-------------|-------------------------|-----------------|----------|--------------------|
| | | | | |

| | deposits | | | |
|--|-----------------|----------------|-----|-----------------|
| Indebtedness at the beginning of the financial year | | | | |
| i.) Principal Amount | 505.62 | 749.04 | Nil | 1,254.66 |
| ii.) Interest due but not paid | - | 228.14 | Nil | 228.14 |
| iii.) Interest accrued but not due | - | - | Nil | - |
| Total (i + ii + iii) | 505.62 | 977.18 | Nil | 1,482.80 |
| | | | Nil | |
| Change in Indebtedness during the financial year | | | | |
| • Addition | 946.67 | 68.39 | NIL | 1,015.06 |
| • Reduction | 1,480.53 | 163.63 | NIL | 1,644.16 |
| Net Change | (533.86) | (95.24) | NIL | (629.10) |
| | | | | |
| Indebtedness at the end of the financial year | | | | |
| | | | | |
| i.) Principal Amount | (28.24) | 653.80 | NIL | 625.56 |
| ii.) Interest due but not paid | - | 267.22 | NIL | 267.22 |
| iii.) Interest accrued but not due | - | - | - | - |
| Total (i + ii + iii) | (28.24) | 921.02 | NIL | 892.78 |

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 |
| 1. | Gross Salary: | |
| | 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 | |

B. Remuneration to other Non Executive Directors

| Sl. No | Particulars of Remuneration | Name of Directors | | | | Total amount |
|--------|--|-------------------|-------------------|------------|-------------|--------------|
| | | Anand B Kamalapur | Nandan M Balwalli | Alka Sirur | Shyam Sirur | |
| | | Rs. | Rs. | Rs. | Rs. | Rs |
| 1 | Independent Directors | 2,500 | 5,000 | - | - | 7,500 |
| | Fee for attending board committee meetings | - | - | - | - | - |
| | Commission | - | - | - | - | - |
| | Others, please specify | - | - | - | - | - |
| | Total (1) | 2,500 | 5,000 | - | - | 7,500 |
| 2 | Non Executive Directors | | | | | |
| | Fee for attending board committee meetings | - | - | 12,500 | 2,500 | 15,000 |
| | Commission | - | - | - | - | - |
| | Others, please specify | - | - | - | - | - |
| | Total (2) | - | - | 12,500 | 2,500 | 15,000 |
| 3 | Total (B) = (1 + 2) | 2,500 | 5,000 | 12,500 | 2,500 | 22,500 |
| | Total Managerial Remuneration | 2,500 | 5,000 | 12,500 | 2,500 | 22,500 |
| | Overall Ceiling as per the Act | - | - | - | - | - |

REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD

| Sl. No. | Particulars of Remuneration | Company Secretary | CFO | Total |
|---------|--|-------------------|--------------|----------|
| | | Arpita Dhakane | S G Gadagkar | |
| 1. | Gross salary | | | |
| | a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 2,40,000 | 2,33,400 | 4,73,400 |
| | b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | NIL | 1,59,960 | 1,59,960 |
| | 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 | | | |
| | - as % of profit | | | |
| | - others, specify | NIL | NIL | NIL |
| 5. | Others, please specify | NIL | NIL | NIL |

| | | | |
|-------|----------|----------|----------|
| Total | 2,40,000 | 3,93,360 | 6,33,360 |
|-------|----------|----------|----------|

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) |
|-------------------------------------|------------------------------|-------------------|--|-------------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | Nil | Nil | Nil | Nil | Nil |
| Punishment | Nil | Nil | Nil | Nil | Nil |
| B. DIRECTORS | | | | | |
| Penalty | Nil | Nil | Nil | Nil | Nil |
| Punishment | Nil | Nil | Nil | Nil | Nil |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| 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
July 24, 2020

Registered Office:
Tarihal Industrial Area, Tarihal
Hubli-580026

FORM AOC-2

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

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

| | |
|---|---|
| a) Name(s) of the related party and nature of relationship | - |
| b) Nature of contracts / arrangements / transactions | - |
| c) Duration of the contracts / arrangements / transactions | - |
| d) Salient terms of the contracts or arrangements or transactions including the value, if any | - |
| e) Justification for entering into such contracts or arrangements or transactions | - |
| f) Date(s) of approval by the Board | - |
| g) Amount paid as advances, if any | |
| h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 | - |
| 2 Details of material contracts or arrangements or transactions at arms' length basis and in the ordinary course of business | |
| 2.A a) Name(s) of the related party and nature of relationship | Miven Mayfran Conveyors Private Limited |
| b) Nature of contracts / arrangements / transactions | Purchase and sale of material in the ordinary course of business for Rs 56,52,995 |
| c) Duration of the contracts / arrangements / transactions | Ongoing |
| d) Salient terms of the contracts or arrangements or transactions including the value, if any | Purchase and sale of material in the ordinary course of business for Rs 56,52,995 |
| e) Date(s) of approval by the Board, if any | Board Meetings held on November 12, 2019, February 10, 2020 and July 24, 2020 |
| f) Amount paid as advance, if any | Nil |
| 2.B a) Name(s) of the related party and nature of relationship | Pratt Automation Pvt. Ltd., Hubli |
| b) Nature of contracts / arrangements / transactions | Sale (Job Work) in the ordinary course of business for Rs 63,720 |
| 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) in the ordinary course of business for Rs 63,720 |
| e) Date(s) of approval by the Board, if any | Board Meeting held on November 12, 2019 |
| f) Amount paid as advance, if any | Nil |

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

Vikram R Sirur
Managing Director

Place : Mumbai
Date : July 24, 2020



Umesh P. Maskeri
Practicing Company Secretary

No 304, Geetanjali Heights, Plot No.77, Sector 27
Near Presentation Convent School, Nerul East, Navi Mumbai-400 706
Tele 022 -27716919; Mobile: 09930178352; Email: umeshmaskeri@gmail.com

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2020

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, 2020 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, 2020 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;





Umesh P. Maskeri
Practicing Company Secretary

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

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

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

During the period under review, the members of the Company, by means of postal ballot exercise, which closed on September 7, 2019, approved the special resolution for sale of 7.5 acres of land situated at survey No 92 Tarihal Industrial Area, Tarihal, Hubli-580026 and authorised the Board of Directors to take all the necessary steps and implement the resolution.

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

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.





Umesh P. Maskeri
Practicing Company Secretary

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.

I further report that

owing to complete lockdown, curfew and restrictions imposed by the Government of Indi, Government of Maharashtra, Government of Karnataka and the respective Municipal corporations as a result of the outbreak of COVID 19 pandemic, I have not been able to visit the office of the Company after March 24, 2020 to verify certain original records. Under the circumstances, I have relied on the email communications and scanned copies of some of the documents made available to me, during the course secretarial audit. However, the Company has agreed to make available the original records as soon as the lock down is lifted and normalcy of operations is restored.

UMESH P MASKERI
PRACTICING COMPANY SECRETARY
FCS No 4831 COP No. 12704
UDIN F004831B000501525



Place: Mumbai
Date : July 24, 2020

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.



Umesh P. Maskeri
Practicing Company Secretary

ANANEXURE A

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

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensue 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.

UMESH P MASKERI
PRACTICING COMPANY SECRETARY
FCS No 4831 COP No. 12704
UDIN F004831B000501525



Place: Mumbai
Date : July 24, 2020



Umesh P. Maskeri
Practicing Company Secretary

ANNEXURE I
OTHER LAWS APPLICABLE TO COMPANY

| | |
|----|--|
| 1 | The Factories Act, 1948 |
| 2 | The Income-tax Act, 1961 |
| 3 | The Central Goods and Service Tax Act, 2017 |
| 4 | The Employees Provident Fund Act, 1952 |
| 5 | The Payment of Gratuity Act, 1972 |
| 6 | The Payment of Bonus Act, 1965 |
| 7 | The Indian Stamp Act, 1899 |
| 8 | The Karnataka Stamp Act, 1957 |
| 9 | Negotiable Instruments Act, 1881 |
| 11 | Information Technology Act, 1996 |
| 12 | Prevention of Sexual Harassment of women at Workplace Act, |
| 13 | The Minimum Wages Act, 1948 |
| 14 | Weekly Holidays Act, 1942 |
| 15 | The Employees State Insurance Act, 1948 |
| 16 | Micro, Small and Medium Enterprises Development Act, 2006 |
| 17 | Karnataka Profession Tax Act, 1976 |
| 18 | The Workmen's Compensation Act, 1923 & Rules, 1924 |
| 19 | The Equal Remuneration Act, 1976 and Rules 1976 |
| 20 | The Trade Marks Act, 1999 |
| 21 | Industrial Disputes Act, 1947 |

UMESH P MASKERI
PRACTICING COMPANY SECRETARY
FCS No 4831 COP No. 12704
UDIN F004831B000501525



Place: Mumbai
Date : July 24, 2020



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, 2020, 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 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Material Uncertainty related to Going Concern

We draw attention to Note 27(A) in the Standalone Ind AS Financial Statements which indicates that the Company's liabilities exceed its total assets by INR 9,25,10,989 as at 31st March 2020. 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 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.

| Key Audit Matter | Resolution |
|--|---|
| <p>(a) Ind AS 115 – Revenue from Contract with Customers</p> <p>(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.</p> <p>(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</p> | <p>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</p> <p>Our audit procedures with regard to sale of Immovable Property [Land] involved verifying registered sale deed and ensuring recognition of full sale price and its realisation.</p> |
| <p>(b) Valuation of Inventories</p> <p>Inventory constitutes a significant portion [53%] 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,</p> |





| | |
|--|---|
| | analytical procedures adopted to ensure correct valuation in accordance with Accounting Standards |
|--|---|

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITORS REPORT THEREON

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

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

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

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone IND AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial





controls, that were operating effectively for 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.





RAO ASSOCIATES
CHARTERED ACCOUNTANTS

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

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

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

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

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





would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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:



RAO ASSOCIATES
CHARTERED ACCOUNTANTS

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements. Refer Note 27(G)(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(G)(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.

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

(SANDEEP S SHEKAR)
PARTNER
M.NO. 232631
BANGALORE
DATED: 24-07-2020
UDIN: 20232631AAAAGJ1117





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 2020.

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, 2020 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.

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.



RAO ASSOCIATES
CHARTERED ACCOUNTANTS

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, 2020, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

(SANDEEP S SHEKAR)
PARTNER
M.NO. 232631
BANGALORE
DATED: 24-07-2020
UDIN: 20232631AAAAGJ1117





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:

- (i) In respect of its fixed assets:
- The company is maintaining proper records to show full particulars including quantitative details and situation of fixed Assets.
 - 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.
 - 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:
- 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.
 - 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.
 - 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.



RAO ASSOCIATES
CHARTERED ACCOUNTANTS

- (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 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





RAO ASSOCIATES
CHARTERED ACCOUNTANTS

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

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

(SANDEEP S SHEKAR)
PARTNER
M.NO. 232631
BANGALORE
DATED: 24-07-2020
UDIN: 20232631AAAAGJ1117



MIVEN MACHINE TOOLS LIMITED
CIN-L29220KA1985PLC007036
TARIHAL INDUSTRIAL AREA, HUBBALLI, KARNATAKA
BALANCE SHEET AS AT 31 MARCH , 2020

(Rs. in Lakhs)

| Particulars | Note No. | As at 31 March 2020 | As at 31 March 2019 |
|---|----------|------------------------|------------------------|
| I. ASSETS | | | |
| (1) NON CURRENT ASSETS | | | |
| (a) Property, Plant and Equipment | 2 | 25.96 | 53.49 |
| (b) Financial Assets | | | |
| (i) Investments | 3 | 0.50 | 0.50 |
| (ii) Other financial assets | 4 | 21.23 | 9.01 |
| (c) Deferred tax assets (Net) | 5 | - | - |
| Total non-current assets | | 47.68 | 63.00 |
| (2) CURRENT ASSETS | | | |
| (a) Inventories | 6 | 184.88 | 463.41 |
| (b) Financial Assets | | | |
| (i) Trade receivables | 7 | 31.21 | 34.38 |
| (ii) Cash and cash equivalents | 8 | 115.22 | 16.66 |
| (iii) Other financial assets | 9 | 0.65 | 11.64 |
| (c) Other current assets | 10 | 16.49 | 49.50 |
| Total current assets | | 348.46 | 575.59 |
| TOTAL ASSETS | | 396.14 | 638.59 |
| II. EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| (a) Equity Share capital | 11 | 300.35 | 300.35 |
| (b) Other Equity | 11 | (1,225.46) | (1,812.39) |
| Total Equity | | (925.11) | (1,512.04) |
| LIABILITIES | | | |
| (1) NON CURRENT LIABILITIES | | | |
| (a) Financial liabilities | | | |
| Borrowings | 12 | 589.86 | 749.04 |
| (b) Provisions | 13 | 33.71 | 27.90 |
| (c) Deferred tax liabilities (Net) | 5 | - | - |
| Total non-current liabilities | | 623.57 | 776.94 |
| (2) CURRENT LIABILITIES | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 14 | - | 505.62 |
| (ii) Trade Payables | | | |
| (A) Total outstanding dues of Micro & Small Enterprises | 15 | 22.30 | 30.36 |
| (B) Total outstanding dues Other than Micro & Small Enterprises | 15 | 215.65 | 294.03 |
| (iii) Other financial liabilities | 16 | 268.22 | 228.14 |
| (b) Other current liabilities | 17 | 191.51 | 315.53 |
| Total current liabilities | | 697.68 | 1,373.69 |
| TOTAL EQUITY AND LIABILITIES | | 396.14 | 638.59 |

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

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

Vikram R Sirur
DIN: 00312980

Anand B Kamalapur
DIN: 00474775

SANDEEP S SHEKAR

Partner
Membership No.: 232631
Place: Bangalore
Date : 24th. July 2020.

S G Gadagkar
Chief Financial Officer

Arpita R Dhakane
Company Secretary
M. No. 54201

MIVEN MACHINE TOOLS LIMITED
CIN-L29220KA1985PLC007036
TARIHAL INDUSTRIAL AREA, HUBBALLI, KARNATAKA
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2020

(Rs. in Lakhs)

| Particulars | Note No. | As at 31 March 2020 | As at 31 March 2019 |
|---|----------|---------------------|---------------------|
| I. Revenue from Operations | 18 | 577.52 | 484.27 |
| II Other Income | 19 | 871.52 | 263.12 |
| III Total revenue (I + II) | | 1,449.03 | 747.39 |
| IV Expenses | | | |
| Cost of materials consumed | 20 | 363.38 | 396.63 |
| Changes in inventories of finished goods, work in progress and stock in trade | 21 | 213.13 | (6.83) |
| Employee benefits expense | 22 | 96.24 | 88.09 |
| Finance Costs | 23 | 120.29 | 140.65 |
| Depreciation and amortization expense | 24 | 10.09 | 11.04 |
| Other expenses | 25 | 75.24 | 94.31 |
| Total Expenses | | 878.37 | 723.90 |
| V Profit/(loss) before exceptional items and tax (I- IV) | | 570.66 | 23.49 |
| VI Exceptional Items | | - | - |
| VII Profit/(loss) before tax (V-VI) | | 570.66 | 23.49 |
| VIII Tax expense: (See Note 5(c)) | | | |
| (1) Current tax | | - | - |
| (2) Deferred tax | | - | - |
| | | - | - |
| IX Profit (Loss) for the period from continuing operations (VII-VIII) | | 570.66 | 23.49 |
| 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) | | - | - |
| XIII Profit/(loss) for the period | | 570.66 | 23.49 |
| XIV Other Comprehensive Income | | | |
| a. (i) Items that will not be reclassified to profit or loss | | | |
| Remeasurement of Employee Benefits | | 2.64 | 0.91 |
| 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 | | - | - |
| XV Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and Other Comprehensive Income for the period) | | 573.30 | 24.40 |
| XVI Profit (Loss) per equity share: | | | |
| Basic | | 19.09 | 0.81 |
| Diluted | | 19.09 | 0.81 |
| Significant Accounting Policies and Key Accounting Estimates See accompanying notes forming part of the financial statements | 1 27 | | |

FOR RAO ASSOCIATES

Chartered Accountants
Firm Registration Number: 003080S

SANDEEP S SHEKAR

Partner
Membership No.: 232631
Place: Bangalore
Date : 24th. July 2020.

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

Vikram R Sirur
DIN: 00312980

Anand B Kamalapur
DIN: 00474775

S G Gadagkar
Chief Financial Officer

Arpita R Dhakane
Company Secretary
M. No. 54201

MIVEN MACHINE TOOLS LIMITED
CIN-L29220KA1985PLC007036
TARIHAL INDUSTRIAL AREA, HUBBALLI, KARNATAKA
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH , 2020

(Rs. in Lakhs)

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|------------------------|------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit (Loss) before tax as per Profit and Loss Account | 570.66 | 23.49 |
| <u>Adjustments for:</u> | | |
| Depreciation and Amortisation Expenses | 10.09 | 11.04 |
| Finance Costs | 120.29 | 140.65 |
| Interest received | (2.05) | (0.77) |
| Dividend Received | (0.06) | (0.06) |
| Provisions | 8.45 | 4.51 |
| Profit on Sale of Land | (868.06) | (252.75) |
| CASH FLOW BEFORE WORKING CAPITAL CHANGES | (160.68) | (73.89) |
| <u>Adjustments for Working Capital Changes</u> | | |
| Change in Inventories | 278.52 | 68.43 |
| Change in Trade Receivables | 3.17 | (25.40) |
| Change in Other Financial Assets - Non Current Assets | (12.21) | (4.03) |
| Change in Other Financial Assets - Short Term | 10.98 | 7.06 |
| Change in Other Current Assets | 33.01 | 14.51 |
| Change in Trade Payables | (86.45) | (3.05) |
| Change in Other current Liabilities | (124.02) | (114.30) |
| Change in Other Financial Liabilities | 40.08 | 56.29 |
| Cash Flow (Used) in Operating Activities | (17.60) | (74.37) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Sale Proceeds of Assets | 885.50 | 258.36 |
| Purchase of Property, Plant and Equipment | - | (0.18) |
| Interest received | 2.05 | 0.77 |
| Dividend Received | 0.06 | 0.06 |
| (Increase)/Decrease in Margin Money with Banks | (77.68) | 0.39 |
| Cash Flow from Investing Activities | 809.93 | 259.40 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Increase / (Decrease) in Short term borrowings | (505.62) | (129.56) |
| Proceeds/ (Payment) from/to Long Term Borrowings | (159.17) | 49.19 |
| Interest Paid | (120.29) | (140.65) |
| Changes in Fair Values of Long Term Borrowings | 13.63 | 39.19 |
| Cash Flow (Used) in Financing Activities | (771.46) | (181.83) |
| Net Increase / (Decrease) in Cash and Cash Equivalents | 20.87 | 3.20 |
| Cash and Cash Equivalents at the beginning of the year | 7.86 | 4.66 |
| Cash and Cash Equivalents at the close of the Year | 28.73 | 7.86 |
| Reconciliation of Cash and Cash Equivalents | | |
| As per Cash Flow Statement | 28.73 | 7.86 |
| Margin Money with Banks | 86.48 | 8.80 |
| As per Balance Sheet | 115.22 | 16.66 |

Significant Accounting Policies and key Accounting Estimates 1

See accompanying notes forming part of the financial statements. 27

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

FOR RAO ASSOCIATES

Chartered Accountants
Firm Registration Number: 003080S

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

Vikram R Sirur
DIN: 00312980

Anand B Kamalapur
DIN: 00474775

SANDEEP S SHEKAR

Partner
Membership No.: 232631
Place: Bangalore
Date : 24th. July 2020.

S G Gadagkar
Chief Financial Officer

Arpita R Dhakane
Company Secretary
M. No. 54201

MIVEN MACHINE TOOLS LIMITED
CIN-L29220KA1985PLC007036
TARIHAL INDUSTRIAL AREA, HUBBALLI, KARNATAKA
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH , 2020

(Rs. in Lakhs)

A. Equity share capital

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|------------------------|------------------------|
| 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 31.03.2019

| Particulars | Reserves and Surplus | | | Total Other Equity |
|---|----------------------|----------------------|-----------------------|-----------------------|
| | Capital 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 |
| Balance as on 31.03.2019 | 178.31 | (1,996.00) | 5.30 | (1,812.39) |

(ii) Other equity as on 31.03.2020

| Particulars | Reserves and Surplus | | | Total Other Equity |
|---|----------------------|----------------------|-----------------------|-----------------------|
| | Capital Reserve | Retained Earnings | Other items of OCI | |
| Balance as on 01.04.2019 | 178.31 | (1,996.00) | 5.30 | (1,812.39) |
| Fair Value measurement of Financial Liabilities | 13.63 | - | - | 13.63 |
| Profit / (Loss) for the year | - | 570.66 | - | 570.66 |
| Other Comprehensive Income | - | - | 2.64 | 2.64 |
| <i>Sub-total</i> | <i>13.63</i> | <i>570.66</i> | <i>2.64</i> | <i>586.93</i> |
| Less: Transfers | - | - | - | - |
| Balance as on 31.03.2020 | 191.94 | (1,425.34) | 7.94 | (1,225.46) |

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

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

Vikram R Sirur
DIN: 00312980

Anand B Kamalapur
DIN: 00474775

SANDEEP S SHEKAR

Partner
Membership No.: 232631
Place: Bangalore
Date : 24th. July 2020.

S G Gadagkar
Chief Financial Officer

Arpita RDhakane
Company Secretary
M. No. 54201

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS
MIVEN MACHINE TOOLS LIMITED
CIN-L29220KA1985PLC007036
FOR THE YEAR ENDED 31 MARCH 2020

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 Ind AS Financial Statements:

Statement of Compliance

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 July 24, 2020.

Application of new accounting pronouncements

The company has adopted Ind AS-116 Leases with effect from 1st April 2019. 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

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS
MIVEN MACHINE TOOLS LIMITED
CIN-L29220KA1985PLC007036
FOR THE YEAR ENDED 31 MARCH 2020

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES

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 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.,

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS
MIVEN MACHINE TOOLS LIMITED
CIN-L29220KA1985PLC007036
FOR THE YEAR ENDED 31 MARCH 2020

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES

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)

Basis of Accounting

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. The useful lives of assets are as follows:

| Nature of Asset | Useful Life |
|--------------------------|--------------------|
| Factory Building | 30 Years |
| Plant and Equipment | 15 Years |
| Furniture and Fittings | 10 Years |
| Office Equipments | 5 Years |
| Factory Equipments | 15 Years |
| Electrical Installations | 10 Years |
| Jigs and Fixtures | 10 Years |
| Computers and Printers | 3 Years |

c) Inventories:

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS
MIVEN MACHINE TOOLS LIMITED
CIN-L29220KA1985PLC007036
FOR THE YEAR ENDED 31 MARCH 2020

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES

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.

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS
MIVEN MACHINE TOOLS LIMITED
CIN-L29220KA1985PLC007036
FOR THE YEAR ENDED 31 MARCH 2020

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES

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 satisfied at a point in time, i.e when the installaion 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:

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS
MIVEN MACHINE TOOLS LIMITED
CIN-L29220KA1985PLC007036
FOR THE YEAR ENDED 31 MARCH 2020

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES

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.

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS
MIVEN MACHINE TOOLS LIMITED
CIN-L29220KA1985PLC007036
FOR THE YEAR ENDED 31 MARCH 2020

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES

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

i) Taxes On Income:

Provision for current tax is made after considering (i) eligibility to set off brought forward losses under Income Tax laws and (ii) excess / short liability relating to 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.

Uncertainty over Income Tax Treatment and Tax Liability thereon

The company has examined the issue of any uncertainty over tax treatment to be used in its income tax filings and based on prevailing position, is of the opinion that no reasonable uncertainty exists in the approach adopted by the company

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

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS
MIVEN MACHINE TOOLS LIMITED
CIN-L29220KA1985PLC007036
FOR THE YEAR ENDED 31 MARCH 2020

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES

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

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS
MIVEN MACHINE TOOLS LIMITED
CIN-L29220KA1985PLC007036
FOR THE YEAR ENDED 31 MARCH 2020

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES

(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 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.

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS
MIVEN MACHINE TOOLS LIMITED
CIN-L29220KA1985PLC007036
FOR THE YEAR ENDED 31 MARCH 2020

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES

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.

NOTES TO STANDALONE IND AS FINANCIAL STATEMENTS
MIVEN MACHINE TOOLS LIMITED
CIN-L29220KA1985PLC007036
FOR THE YEAR ENDED 31 MARCH 2020

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES

r) Ind AS 116 - Leases

Ind AS 116 which replaces Ind AS 17 has become operational from 1st April 2019. The Company has adopted Ind AS 116 with effect from April 1, 2019 and applied the standard to all lease contracts existing on that date using the modified retrospective method, recognizing the cumulative effect of initially applying this standard as an adjustment to 'right-of-use asset' as on April 1, 2019.

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease. The assessment is based on:

- (1) whether the contract involves the use of a distinct identified asset,
- (2) whether the Company obtains the right to substantially all the economic benefit from the use of the asset throughout the period, and
- (3) whether the Company has the right to direct the use of the asset.

The company has hired Factory Building on Operating Lease for a period of less than 12 months (Short Term Lease). The company has no other leases.

In respect of Short Term Leases, lease rent paid is expensed to Statement of Profit and Loss

MIVEN MACHINE TOOLS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

**NOTE 2: PROPERTY, PLANT AND EQUIPMENT:
AS AT 31ST MARCH 2019**

(Rs. in Lakhs)

| DESCRIPTION | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|--------------------------|--------------------|-------------|-------------|---------------------|-------------------|------------------------------------|-----------------------------|--------------------|---------------------|---------------------|
| | As at 1 April 2018 | Additions | Deductions | As at 31 March 2019 | Upto 1 April 2018 | For the year ended 31st March 2019 | Withdrawn during the Period | Upto 31 March 2019 | As at 31 March 2019 | As at 31 March 2018 |
| | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. |
| Freehold Land | 15.95 | - | 4.78 | 11.18 | - | - | - | - | 11.18 | 15.95 |
| Factory Building | 19.16 | - | - | 19.16 | 9.35 | 2.20 | - | 11.56 | 7.61 | 9.81 |
| Plant and Equipment | 57.40 | - | - | 57.40 | 17.37 | 8.18 | - | 25.55 | 31.85 | 40.03 |
| 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 | 0.09 | 0.18 |
| Factory Equipments | 1.19 | - | - | 1.19 | 0.31 | 0.16 | - | 0.47 | 0.71 | 0.87 |
| Electrical Installations | 0.10 | - | - | 0.10 | 0.03 | 0.01 | - | 0.04 | 0.06 | 0.07 |
| Jigs and Fixtures | 2.82 | - | - | 2.82 | 0.61 | 0.38 | - | 0.99 | 1.83 | 2.21 |
| Computer and Printers | 0.43 | 0.18 | - | 0.60 | 0.43 | 0.02 | - | 0.44 | 0.16 | 0.00 |
| TOTAL | 99.77 | 0.18 | 4.78 | 95.17 | 30.64 | 11.04 | 0.00 | 41.68 | 53.49 | 69.12 |

AS AT 31ST MARCH 2020 :

| DESCRIPTION | COST | | | | DEPRECIATION | | | | NET BLOCK | |
|--------------------------|--------------------|-------------|--------------|---------------------|-------------------|----------------------------------|-----------------------------|--------------------|---------------------|---------------------|
| | As at 1 April 2019 | Additions | Deductions | As at 31 March 2020 | Upto 1 April 2019 | For the year ended 31 March 2020 | Withdrawn during the Period | Upto 31 March 2020 | As at 31 March 2020 | As at 31 March 2019 |
| | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. |
| Freehold Land | 11.18 | - | 11.18 | - | - | - | - | - | - | 11.18 |
| Factory Building | 19.16 | - | 19.16 | - | 11.56 | 1.34 | 12.90 | - | - | 7.61 |
| Plant and Equipment | 57.40 | - | - | 57.40 | 25.55 | 8.09 | - | 33.64 | 23.76 | 31.85 |
| Furniture and Fittings | 2.13 | - | - | 2.13 | 2.13 | - | - | 2.13 | 0.00 | 0.00 |
| Office Equipments | 0.58 | - | - | 0.58 | 0.49 | 0.05 | - | 0.54 | 0.04 | 0.09 |
| Factory Equipments | 1.19 | - | - | 1.19 | 0.47 | 0.15 | - | 0.62 | 0.56 | 0.71 |
| Electrical Installations | 0.10 | - | - | 0.10 | 0.04 | 0.01 | - | 0.05 | 0.05 | 0.06 |
| Jigs and Fixtures | 2.82 | - | - | 2.82 | 0.99 | 0.39 | - | 1.38 | 1.44 | 1.83 |
| Computer and Printers | 0.60 | - | - | 0.60 | 0.44 | 0.06 | - | 0.50 | 0.10 | 0.16 |
| TOTAL | 95.17 | 0.00 | 30.34 | 64.83 | 41.68 | 10.09 | 12.90 | 38.87 | 25.96 | 53.49 |

MIVEN MACHINE TOOLS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Rs. in Lakhs)

NOTE 3: INVESTMENTS

| Details of Investments | Name of the Company | As at 31 March 2020 | | | As at 31 March 2019 | | |
|---|----------------------------------|---------------------|------------|-------------|---------------------|------------|-------------|
| | | No of Shares | Face Value | Rs. | No of Shares | Face Value | Rs. |
| Investments in Equity Instruments: | | | | | | | |
| i) Others (Trade, Unquoted) Shares fully paid up | SVC Co-operative Bank Limited | 2000 | 25 | 0.50 | 2000 | 25 | 0.50 |
| Total carried to Balance Sheet | | | | 0.50 | | | 0.50 |
| Additional Information: | | | | | | | |
| 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 31 March 2020 | As at 31 March 2019 |
|---------------------------------------|-----------------------|---------------------|---------------------|
| i) | Income Tax Refund Due | 18.04 | 5.82 |
| ii) | Utility Deposit | 3.19 | 3.19 |
| Total carried to Balance Sheet | | 21.23 | 9.01 |

NOTE 5: DEFERRED TAX ASSETS (NET)

(Rs. in Lakhs)

| Particulars | | As at 31 March 2020 | As at 31 March 2019 |
|--|--|---------------------|---------------------|
| i) | On Account of unabsorbed depreciation under Income Tax Act, 1961 to the extent it is probable in utilisation | - | 0.41 |
| Total deferred tax asset | | - | 0.41 |
| Deferred tax liabilities | | | |
| ii) | On account of property, plant and equipment | - | 0.41 |
| Total Deferred tax liability | | - | 0.41 |
| Net deferred tax asset [(i) (-) (ii)] | | - | - |

The substantively enacted tax rate as on 31 March 2020 was 25.17% and as on 31 March 2019 was 26%

a) Amount recognised in profit or loss

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|--|---------------------|---------------------|
| Current tax expense: | | |
| Current tax / Minimum alternate tax (See Note below) | - | - |
| Net deferred tax (income)/expense: | | |
| Origination and reversal of temporary differences | | |
| Deferred Tax Liability recognised during the year | - | 1.13 |
| Less: Deferred Tax Asset recognised during the year | - | (1.13) |
| Net Deferred Tax Asset recognised during the year | - | - |
| Total deferred tax (income)/expense | - | - |
| Net tax expense | - | - |

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. The company has decided to opt for Sec 115BAA of the Income Tax Act, 1961 from the year ending 31st March 2020 onwards. Therefore liability to tax u/s 115JB (Minimum Alternate Tax) does not arise. The tax rate indicated above for 31/03/2020 is based on rate as provided in Sec 115BAA

MIVEN MACHINE TOOLS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 5. DEFERRED TAX ASSETS NET (CONTINUED) (Rs. in Lakhs)

b) Amount recognised in OCI

| Particulars | As at 31 March 2020 | | As at 31 March 2019 | |
|--|-----------------------|------------|-----------------------|------------|
| | Tax (expense) benefit | Net of tax | Tax (expense) benefit | Net of tax |
| Re-measurement (losses) / gains on post employment defined benefit | - | - | - | - |
| Total | - | - | - | - |

c) Reconciliation of effective income tax rate

| Particulars | As at 31 March 2020 | | As at 31 March 2019 | |
|--|---------------------|------|---------------------|------|
| | Amount | Rate | Amount | Rate |
| Profit/(Loss) before tax from continuing operation | 573.30 | - | 24.40 | - |
| Expected Tax using the company's domestic tax rate (Income tax) (See Note (a) above) - Tax rate application to Long Term Capital Gains | 127.62 | | 5.08 | |
| <u>Adjustments to reconcile Income Tax Expense as per Statement of Profit and Loss</u> | | | | |
| Permanent Differences | (119.58) | | (1.66) | |
| Timing Difference of Tax Deductions adjusted | (8.04) | | (3.42) | |
| Total income tax expense for the year | - | | - | |

d) Movement in deferred tax balances

| Particulars | As at 1 April 2018 | | Recognised in Profit & Loss Statement | Recognised in OCI | As at 31 March 2019 | |
|--|--------------------|-------------|---------------------------------------|-------------------|---------------------|-------------|
| | Tax Liability | Tax Asset | | | Tax Liability | Tax Asset |
| Property, plant and equipment | 1.53 | 1.53 | 1.13 | | 0.41 | 0.41 |
| Tax assets / (liabilities) before set-off | 1.53 | 1.53 | 1.13 | - | 0.41 | 0.41 |
| Off-setting of Deferred tax assets / (liabilities) | 1.53 | 1.53 | 1.13 | - | 0.41 | 0.41 |
| Net deferred tax assets / (liabilities) | - | - | - | - | - | - |

d) Movement in deferred tax balances

| Particulars | As at 1 April 2019 | | Recognised in Profit & Loss Statement | Recognised in OCI | As at 31 March 2020 | |
|--|--------------------|-------------|---------------------------------------|-------------------|---------------------|-----------|
| | Tax Liability | Tax Asset | | | Tax Liability | Tax Asset |
| Property, plant and equipment | 0.41 | 0.41 | 0.41 | - | - | - |
| Tax assets/(liabilities) before set-off | 0.41 | 0.41 | 0.41 | - | - | - |
| Off-setting of Deferred tax assets / (liabilities) | 0.41 | 0.41 | 0.41 | - | - | - |
| Net deferred tax assets/(liabilities) | - | - | - | - | - | - |

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 | As at 31 March 2020 | As at 31 March 2019 |
|--|---------------------|---------------------|
| (i) Provision for Gratuity and Bonus | 13.62 | 11.88 |
| (ii) Provision for Leave Encashment | 1.05 | 1.08 |
| (iii) Provision towards Superannuation Fund | 2.47 | 2.08 |
| (iv) Provision for Advance to Suppliers | - | 1.80 |
| (v) Carried Forward Business Loss | 265.08 | 293.68 |
| (vi) Carried Forward Depreciation | 23.72 | 46.28 |
| (vii) On Account of Depreciation as per Books and Income Tax | 0.57 | - |
| | 306.52 | 356.80 |

MIVEN MACHINE TOOLS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020
(Rs. in Lakhs)

NOTE 6: INVENTORIES

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|----------------------------|------------------------|------------------------|
| Raw materials & Components | 116.97 | 181.25 |
| Work-in-Progress | 54.19 | 267.32 |
| Stores spares and parts | 13.73 | 14.83 |
| Total | 184.88 | 463.41 |

a. Raw materials & Components include materials lying with sub contractors Rs. 3,97,131 (Previous Year - Rs. 4,51,825). 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. 47,89,525 (PY Rs. 22,76,986)

NOTE 7: TRADE RECEIVABLES (Rs. in Lakhs)

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|--|------------------------|------------------------|
| Unsecured, considered good | 31.21 | 34.38 |
| Unsecured, considered doubtful | - | - |
| Trade Receivables which have significant increase in Credit Risk | - | - |
| Trade Receivables which have credit impaired | - | - |
| Total | 31.21 | 34.38 |

NOTE 8: CASH AND CASH EQUIVALENTS (Rs. in Lakhs)

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|------------------------|------------------------|
| Balances with Banks | | |
| In Current Account | 28.71 | 7.75 |
| In margin money (security for borrowings, guarantees and other commitments) - Maturing within 12 months | 11.48 | 8.01 |
| Maturing beyond 12 months | 75.00 | 0.79 |
| Cash on hand | 0.03 | 0.11 |
| Total | 115.22 | 16.66 |

NOTE 9: OTHER FINANCIAL ASSETS (Rs. in Lakhs)

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|-----------------------------------|------------------------|------------------------|
| Accrued Interest on Bank Deposits | 0.65 | 0.62 |
| Receivable towards Land Sold | - | 11.02 |
| Total | 0.65 | 11.64 |

NOTE 10: OTHER CURRENT ASSETS (Rs. in Lakhs)

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|----------------|------------------------|------------------------|
| GST Receivable | 9.77 | 22.52 |
| Others | 6.72 | 26.98 |
| Total | 16.49 | 49.50 |

MIVEN MACHINE TOOLS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Rs. in Lakhs)

NOTE 11: (A) EQUITY SHARE CAPITAL

| Particulars | As at 31 March 2020 | | As at 31 March 2019 | |
|--|---------------------|---------------|---------------------|---------------|
| | 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 There are no forfeited Shares | 3,003,500 | 300.35 | 3,003,500 | 300.35 |
| Total | 3,003,500 | 300.35 | 3,003,500 | 300.35 |

(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

| Particulars | 3/31/2020 | 3/31/2019 | 3/31/2018 | 3/31/2017 | 3/31/2016 |
|---|-----------|-----------|-----------|-----------|-----------|
| 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 | As at 31 March 2020 | | As at 31 March 2019 | |
|---|---------------------|--------------|---------------------|--------------|
| | 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 |

Equity Shares held by shareholders having 5% or more

| Name of the shareholder | As at 31 March 2020 | | As at 31 March 2019 | |
|-----------------------------------|---------------------|--------|---------------------|--------|
| | 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 31.03.2019

| 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 |
| Balance as on 31.03.2019 | 178.31 | - | (1,996.00) | 5.30 | (1,812.39) |

Other equity as on 31.03.2020

| Particulars | Reserves and Surplus | | | | Total Equity |
|---|----------------------|-----------------|-------------------|--------------------|-------------------|
| | Capital Reserve | General Reserve | Retained Earnings | Other items of OCI | |
| Balance as on 01.04.2019 | 178.31 | - | (1,996.00) | 5.30 | (1,812.39) |
| Fair Value measurement of Financial Liabilities | 13.63 | - | - | - | 13.63 |
| Profit / (Loss) for the year | - | - | 570.66 | - | 570.66 |
| Other Comprehensive Income | - | - | - | 2.64 | 2.64 |
| Sub-total | 13.63 | - | 570.66 | 2.64 | 586.93 |
| Balance as on 31.03.2020 | 191.94 | - | (1,425.34) | 7.94 | (1,225.46) |

MIVEN MACHINE TOOLS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 12: BORROWINGS (NON CURRENT) (Rs. in Lakhs)

| Particulars | | As at 31 March 2020 | As at 31 March 2019 |
|-------------|--|------------------------|------------------------|
| 1 | Unsecured Loans: | | |
| | a. Loans and advances from related parties <i>Includes Loans measured at Fair Value</i> | 589.86 157.76 | 749.04 274.00 |
| | Total long term borrowings | 589.86 | 749.04 |

NOTE 13: PROVISIONS (Rs. in Lakhs)

| Particulars | | As at 31 March 2020 | As at 31 March 2019 |
|-------------|---------------------------------------|------------------------|------------------------|
| | Provision for employee benefits | | |
| a) | Gratuity - Employees | 29.16 | 23.35 |
| b) | Gratuity - Directors | 4.55 | 4.55 |
| | Total carried to Balance Sheet | 33.71 | 27.90 |

NOTE 14: BORROWINGS (CURRENT) (Rs. in Lakhs)

| Particulars | | As at 31 March 2020 | As at 31 March 2019 |
|-------------|--|------------------------|------------------------|
| 1 | Secured Loans: | | |
| | a) Bank Over Draft | | |
| | SVC OD A/c. No.109020950000184 | - | 318.27 |
| | SVC-OD A/c. No.109020950000185 | - | 0.05 |
| | | - | 318.32 |
| 2 | Unsecured Loan | | |
| | a) Loans repayable on demand | | |
| | - Working capital loan from National Small Indurtires Corporation-Belgaum | - | 187.30 |
| | Total carried to Balance Sheet | - | 505.62 |

Additional Information:

- i) Details of security for secured loans
 - a Working capital loans are secured against hypothecation of stocks, book debts and equitable mortgage of factory land and building. Further the loan is also secured against the personal assets of Managing Director of the Company and corporate guarantee of the holding Company N A Sirur (Hubli) Private Limited
 - b Interest on secured loan carry an interest of 12.50% p.a.
- ii) Other Details in relation to unsecured loan
 - a The said loan is availed only as an assistance for purchase of raw materials.
 - b The assistance will be repayable within a period of 90 days.
 - c 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 FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 15: TRADE PAYABLES (Rs. in Lakhs)

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---------------------------------------|------------------------|------------------------|
| i) To Micro and Small Enterprises | 22.30 | 30.36 |
| ii) Others | 215.65 | 294.03 |
| Total carried to Balance Sheet | 237.95 | 324.40 |

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 31 March 2020 | As at 31 March 2019 |
|---|------------------------|------------------------|
| 1 Principal Amount due and remaining unpaid | 22.30 | 30.36 |
| 2 Interest due on (1) above and the unpaid interest | 47.42 | 43.82 |
| 3 Interest paid on all delayed payments under MSMED Act | - | - |
| 4 Payment made beyond the appointed day during the year | - | - |
| 5 Interest due and payable for the period of delay other than (3) above | 47.42 | 43.82 |
| 6 Interest accrued and remaining unpaid | 47.42 | 43.82 |
| 7 The amount of further interest remaining due and payable even in the succeeding years | 69.72 | 74.18 |

NOTE 16: OTHER FINANCIAL LIABILITIES (Rs. in Lakhs)

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|------------------------|------------------------|
| a) Interest accrued and due on borrowings | 267.22 | 228.14 |
| c) Security Deposits from Director (The above deposit is received in relation to appointment of women director in compliance with the provision of Companies Act,2013) | 1.00 | - |
| Total carried to Balance Sheet | 268.22 | 228.14 |

NOTE 17: OTHER CURRENT LIABILITIES (Rs. in Lakhs)

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---------------------------------------|------------------------|------------------------|
| a) Advance from customers | 65.14 | 160.33 |
| b) Statutory remittances | 2.63 | 17.04 |
| c) Other liabilities | 123.74 | 138.17 |
| Total carried to Balance Sheet | 191.51 | 315.53 |

| MIVEN MACHINE TOOLS LIMITED | | | |
|---|---|------------------------|------------------------|
| NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 | | | |
| Particulars | | As at 31 March 2020 | As at 31 March 2019 |
| 18 | REVENUE FROM OPERATIONS | (Rs. in Lakhs) | (Rs. in Lakhs) |
| | i) Sale of products: | | |
| | CNC Turning Machines | 439.44 | 328.50 |
| | Spare Parts | 79.91 | 69.71 |
| | Sub Total | 519.35 | 398.21 |
| | ii) Income from Services | 57.25 | 84.30 |
| | iii) Scrap Sales | 0.92 | 1.76 |
| | Total Carried to Statement of Profit & Loss | 577.52 | 484.27 |
| 19 | OTHER INCOME | (Rs. in Lakhs) | (Rs. in Lakhs) |
| | i) Interest income | 2.05 | 0.77 |
| | ii) Dividend Income | | |
| | - from long term investments | 0.06 | 0.06 |
| | iii) Profit on Sale of Free Hold Land & Assets | 868.06 | 252.75 |
| | iv) Other non operating income (net of expenses directly attributable to such income) | 1.34 | 9.53 |
| | Total Carried to Statement of Profit & Loss | 871.52 | 263.12 |
| 20 | COST OF MATERIALS CONSUMED | (Rs. in Lakhs) | (Rs. in Lakhs) |
| | i) Consumption of raw materials | 323.94 | 350.32 |
| | ii) Consumption of stores and spare parts | 1.10 | 3.03 |
| | iii) Manufacturing Expenses | 38.34 | 43.29 |
| | Total Carried to Statement of Profit & Loss | 363.38 | 396.63 |
| 21 | CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE | (Rs. in Lakhs) | (Rs. in Lakhs) |
| | Stocks at the end of the year | | |
| | i) Work in progress | | |
| | CNC Turning Machines | 47.90 | 237.58 |
| | Indigenous Components | 6.29 | 29.75 |
| | Total | 54.19 | 267.32 |
| | Less: | | |
| | Stocks at the beginning of the year | | |
| | i) Work in progress | | |
| | CNC Turning Machines | 237.58 | 207.82 |
| | Indigenous Components | 29.75 | 52.68 |
| | Total | 267.32 | 260.49 |
| | Total Carried to Statement of Profit & Loss | 213.13 | (6.83) |
| 22 | EMPLOYEE BENEFIT EXPENSES | (Rs. in Lakhs) | (Rs. in Lakhs) |
| | i) Salaries and wages | 75.07 | 71.74 |
| | ii) Contribution to provident fund and other funds | 8.81 | 8.84 |
| | iii) Provision for Gratuity | 10.45 | 4.76 |
| | iv) Staff welfare expenses | 1.91 | 2.74 |
| | Total Carried to Statement of Profit & Loss | 96.24 | 88.09 |

MIVEN MACHINE TOOLS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

| Particulars | | As at 31 March 2020 | As at 31 March 2019 |
|-------------|--|------------------------|------------------------|
| 23 | FINANCE COSTS | (Rs. in Lakhs) | (Rs. in Lakhs) |
| | i) Interest expense | 109.89 | 127.63 |
| | ii) Other borrowing costs | 10.40 | 13.03 |
| | Total Carried to Statement of Profit & Loss | 120.29 | 140.65 |
| 24 | DEPRECIATION AND AMORTIZATION | (Rs. in Lakhs) | (Rs. in Lakhs) |
| | i) Depreciation | 10.09 | 11.04 |
| | Total Carried to Statement of Profit & Loss | 10.09 | 11.04 |
| 25 | OTHER EXPENSES | (Rs. in Lakhs) | (Rs. in Lakhs) |
| | i) Power and fuel | 10.18 | 9.12 |
| | ii) Repairs others | 0.11 | 0.28 |
| | iii) Insurance | 0.65 | 0.67 |
| | iv) Rates and taxes | 8.57 | 22.86 |
| | v) Payment to auditors | | |
| | - as auditor | 1.50 | 1.50 |
| | - for other services | 1.20 | 0.40 |
| | - for reimbursement of expenses | 0.31 | 0.67 |
| | vi) Selling expenses | 7.09 | 11.32 |
| | vii) Legal and professional charges | 7.05 | 6.20 |
| | viii) Directors sitting fees | 0.23 | 0.23 |
| | ix) Miscellaneous expenses | 0.64 | 0.31 |
| | x) Freight Inward | 3.17 | 2.86 |
| | xi) Travelling Expenses | | |
| | Directors | 1.39 | 0.75 |
| | Employees | 14.20 | 15.94 |
| | Others | 0.20 | 0.41 |
| | xii) Security Expense | 7.32 | 12.26 |
| | xiii) Vehicle Maintenance | 1.41 | 0.94 |
| | xiv) Printing and Stationery | 2.01 | 0.29 |
| | xv) Communication Charges | 3.07 | 4.15 |
| | xvi) Estate Maintainance | 0.05 | - |
| | xvii) Membership & Subscription | 0.12 | 0.18 |
| | xviii) Advertisement | 0.91 | 0.88 |
| | xix) Liquidated Damages | 0.69 | - |
| | xx) Pooja Expenses | 0.33 | 0.15 |
| | xxi) Exhibition Expenses | 2.10 | - |
| | xxii) Lease Rent-Factory Rent | 0.50 | - |
| | xxiii) Bad Debts Written off | 0.27 | 1.93 |
| | Total Carried to Statement of Profit & Loss | 75.24 | 94.31 |

MIVEN MACHINE TOOLS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 27: OTHER NOTES

- (A) The Net Liabilities of the Company exceed its assets by Rs. 925.11 Lakhs. Considering the business plans made by the Company, orders on hand, reorganization of product mix and with continued support from the Promoters and the Holding Company, the Company expects to recover from the losses and accordingly the company is of the opinion that the assumption of 'Going Concern' is not vitiated even though the net worth is eroded. The company has substantially cleared its debts during the year out of sale of land and building. For the year ended 31st March 2020 the company has recorded Profit before and After Tax amounting to Rs. 573.30 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 company has completed sale of land during the year and the resultant surplus has been disclosed in the statement of profit and loss.
- (F) Impact of COVID-19
In view of the nationwide lockdown announced by the Government of India to control the spread of COVID-19, the company's business operations were temporarily disrupted. Significant decline in economic activity of the whole nation and disruption created across the business, have affected the operations of the company as well, the impact thereof would evolve around the development taking place in the forthcoming months.

The company has resumed operations in phased manner as per government directives. In assessing the recoverability of the carrying amount of all its assets, the company has considered internal and external information upto the date of approval of these financial results while arriving at the realisable value. Given the uncertainties associated with the nature and duration of this pandemic, the actuals may differ from estimates considered in these financial results and the Company will continue to closely monitor any material changes to future economic conditions and respond accordingly.

(G) 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 IND AS 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 | Enterprises in which KMP and their relatives are able to exercise significant |

Cotmac Electronics Private Limited, Pune
Pratt Automation Private Limited

influence

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

| Name of Related Party | Relationship | Nature of Transaction | As at 31 March 2020 | As at 31 March 2019 |
|--|--------------------------------|------------------------------|---------------------|---------------------|
| (i) Transactions during the year | | | | |
| Vikram Sirur | KMP | Short Term Employee Benefits | 12.00 | 12.00 |
| Vikram Sirur | KMP | Post Employment Benefits | 2.38 | 2.38 |
| S G Gadagkar | KMP | Short Term Employee Benefits | 3.92 | 3.74 |
| Vikram Sirur | KMP | Interest on Unsecured Loan | 35.11 | 7.67 |
| Vikram Sirur | KMP | Unsecured Loans received | 30.00 | 114.66 |
| Vikram Sirur | KMP | Unsecured Loans repaid | 150.00 | 28.4 |
| NA Sirur (Hubli) Pvt Ltd | Holding Co | Interest on Unsecured Loan | 11.26 | 11.23 |
| Ruris Tecnal Extraction Systems | Enterprises | Interest on Unsecured Loan | 14.11 | 15.74 |
| Miven Mayfran Conveyors P Ltd | in which KMP | Interest on Unsecured Loan | 18.05 | 18.00 |
| Miven Mayfran Conveyors P Ltd | and relatives | Purchases | 5.81 | 4.83 |
| Miven Mayfran Conveyors P Ltd | are able to | Sales | 56.02 | 44.85 |
| Miven Automation Technologies Pvt Ltd (Previously known as Pratt Automation Pvt Ltd) | exercise significant influence | Sales | 0.64 | 0.40 |

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

| Name of Related Party | Relationship | Nature of Transaction | As at 31 March 2020 | As at 31 March 2019 |
|--|-----------------------|------------------------|---------------------|---------------------|
| Vikram Sirur | KMP | Unsecured Loan Payable | 157.76 | 256.28 |
| NA Sirur (Hubli) Pvt Ltd | Holding Co | Unsecured Loan Payable | 93.59 | 93.59 |
| Ruris Tecnal Extraction Systems P Ltd | Enterprises | Unsecured Loan Payable | 113.56 | 174.22 |
| | in which KMP | Interest Payable | 98.09 | 85.39 |
| | and relatives | Unsecured Loan Payable | 224.95 | 224.95 |
| Miven Mayfran Conveyors P Ltd | are able to | Trade Receivables | 6.81 | 17.03 |
| | exercise | Trade Payables | 178.20 | 156.44 |
| Pratt Automation P Ltd | significant influence | Trade Receivables | 0.00 | 0.17 |
| Alka V Sirur | KMP | Security Deposit | 1.00 | - |
| Vikram Sirur and N A Sirur (Hubli) Private Limited | KMP and Holding | Guarantees Received | - | 318.32 |

iii) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS (IND AS 37)**a) PROVISIONS****(Rs. in Lakhs)****As at 31st March 2019**

| 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* | - | - | - | - | - |

As at 31st March 2020

| 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 | 27.90 | 5.81 | - | - | 33.71 |

| | | | | | |
|-----------------------|---|---|---|---|---|
| Compensated Absences* | - | - | - | - | - |
|-----------------------|---|---|---|---|---|

* Based on contributions already made in earlier period(s) and current obligations as per actuarial valuation, there is no liability upon the company in respect of Compensated Absences.

(b) CONTINGENT LIABILITIES**(Rs. in Lakhs)**

| Nature of Liability | As at | |
|---|------------------------|------------------------|
| | As at 31 March 2020 | As at 31 March 2019 |
| (i) Counter guarantees given to Bankers for guarantees given by them on behalf of the company | 18.96 | 205.25 |
| (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 Ascertainabl |
| (iv) Disputed Sales Tax Liability, Penalty and Interest in respect of FY 2005-06 | - | 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. Although the company has sold the entire land parcel during the year, the company continues to be liable for any past demands. 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 March 2020 | As at 31 March 2019 |
|--|------------------------|------------------------|
| (vi) Income Tax Demands on account of Withholding Tax | 0.02 | - |

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

iv) Borrowing Costs - IND AS 23

The company has not capitalised any Borrowing Costs during the year

v) Earnings Per Share - IND AS 33

| | As at 31 March 2020 | As at 31 March 2019 |
|--|------------------------|------------------------|
| Profit (Loss) after tax as per Profit and Loss Account (Rs. in Lakhs) | 570.66 | 23.49 |
| Weighted Average Number of Shares | 3,003,500 | 3,003,500 |
| Par Value per Share (In Rupees) | 10 | 10 |
| Profit (Loss) Per Share (in Rs.) | | |
| Basic | 19.00 | 0.78 |
| Diluted | 19.00 | 0.78 |
| Total Comprehensive Income for the year after tax expense (Rs. in Lakhs) | 573.30 | 24.40 |
| Weighted Average Number of Shares | 3,003,500 | 3,003,500 |
| Profit Per Share (in Rs.) | | |
| Basic | 19.09 | 0.81 |
| Diluted | 19.09 | 0.81 |

vi) Impairment of Assets - IND AS 36

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



MIVEN MACHINE TOOLS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 27: OTHER NOTES (Rs. in Lakhs)

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 | As at 31 March 2020 | As at 31 March 2019 |
|--|---------------------|---------------------|
| Employer's contribution to Provident & pension funds | 5.82 | 5.52 |
| Employer's contribution to superannuation fund | 1.80 | 1.80 |

(b) Defined Benefit Plan:

(i) Leave Encashment (Compensated Absences)

(a) The Liability towards annual leave encashment for the year ended 31st March 2020 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. 0.00 Lakhs [PY Rs. 0.05 Lakhs] has been paid and expensed during the year.

(b) Financial Assumptions

| | | |
|---|-------|-------|
| Discount Rate | 6.26% | 7.50% |
| Salary increases allowing for price inflation | 6% | 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% |

(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 2020 a sum of Rs. 9.81 Lakhs [as on 31/03/2019 Rs. 8.01 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 31 March 2020 | As at 31 March 2019 |
| Defined Benefit obligation at beginning of the year | 39.16 | 34.66 |
| Current Service Cost | 0.64 | 2.35 |
| Interest Cost | 2.71 | 2.41 |
| Actuarial (gain)/ loss | 3.37 | (0.27) |
| Benefits Paid | - | - |
| Defined Benefit obligation at end of the year | 45.89 | 39.16 |

2. Re-measurements

| | | |
|---|-------------|---------------|
| Actuarial Gain (Loss) due to changes in Financial Assumptions | 3.37 | (0.27) |
| | 3.37 | -0.27 |

3.Reconciliation of opening and closing balance of fair value of plan assets:

| | | |
|--|--------------|--------------|
| Fair value of plan assets at beginning of the year | 11.26 | 10.36 |
| Expected return on plan assets | 0.99 | 0.93 |
| Employer Contribution | 2.00 | 0.25 |
| Benefits paid | (1.81) | - |
| Actuarial gain/(loss) | (0.26) | (0.28) |
| Fair value of plan assets at year end | 12.18 | 11.26 |

4.Reconciliation of fair value of assets and obligations:

| | | |
|---|--------------|--------------|
| Fair value of plan assets | 12.18 | 11.26 |
| Present value of obligation | 45.89 | 39.16 |
| Amount recognized in Balance Sheet under liabilities: | 33.71 | 27.90 |

MIVEN MACHINE TOOLS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2020

(Rs. in Lakhs)

| 5.(a) Expense recognized during the year: (under "Note 24" Employee Benefit Expenses" in the Statement of Profit and Loss account) | As at 31 March 2020 | As at 31 March 2019 |
|---|----------------------------|----------------------------|
| Current Service Cost | 1.88 | 1.77 |
| Return on Plan Assets | (0.73) | (0.65) |
| Interest Cost | 2.71 | 2.41 |
| | 3.86 | 3.54 |
| (b) Amount recognised in Other Comprehensive Income (OCI) | | |
| Expected return on plan assets | (0.99) | (0.93) |
| Actuarial (gain)/ loss | 3.63 | 0.02 |
| Net Cost | 2.64 | (0.91) |
| 6. Actuarial assumptions: | | |
| Mortality Table (Indian Assured Lives) | 2006-08 (Ultimate) | 2006-08 (Ultimate) |
| Discount rate (per annum) | 6.25% | 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

| | As at 31 March 2020 | As at 31 March 2019 |
|---------------------|---|----------------------------|
| Discount Rate | | |
| +0.5% Discount Rate | | |
| -0.5% Discount Rate | | |
| Salary Increase | | |
| +0.5% Salary Growth | | |
| -0.5% Salary Growth | | |
| | Not Material or significant and hence analysis not made | |

7. Investment Details

| The Plan Assets under the fund are deposited under approved securities as under: | As at 31 March 2020 | As at 31 March 2019 |
|--|----------------------------|----------------------------|
| 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% |

MIVEN MACHINE TOOLS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

| 8. Experience Adjustments | | | | | |
|---|------------------|------------------|------------------|------------------|------------------|
| (Rs. in Lakhs) | | | | | |
| Particulars | 3/31/2020 | 3/31/2019 | 3/31/2018 | 3/31/2017 | 3/31/2016 |
| Defined Benefit Obligation | 40.77 | 34.61 | 30.69 | 28.91 | 27.25 |
| Plan Asset | 12.18 | 11.26 | 10.36 | 9.28 | 9.02 |
| Surplus/ (Deficit) | (28.58) | (23.35) | (20.33) | (19.63) | (18.23) |
| Experience Adjustment on Plan Liability | 0.17 | (0.26) | (1.07) | (3.31) | 7.35 |
| Experience Adjustment on Plan Assets | (0.26) | (0.28) | (0.27) | (0.30) | (0.17) |

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 **(Rs. in Lakhs)**

A. Fair values and measurement principles

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

| Particulars | As at 31 March 2020 | | As at 31 March 2019 | |
|--|----------------------------|--------------------|----------------------------|--------------------|
| | Carrying Amounts | | Carrying Amounts | |
| | Carrying Amounts | Fair Values | Carrying values | Fair values |
| Financial assets measured at fair value: | - | - | - | - |
| Financial assets not measured at fair value: | | | | |
| Investments | 0.50 | 0.50 | 0.50 | 0.50 |
| Loans | - | - | - | - |
| Trade receivables | 31.21 | 31.21 | 34.38 | 34.38 |
| Cash and cash equivalents | 115.22 | 115.22 | 16.66 | 16.66 |
| Other financial assets | 21.88 | 21.88 | 20.65 | 20.65 |
| | 168.81 | 168.81 | 72.19 | 72.19 |
| Financial liabilities measured at fair value: | | | | |
| Unsecured Interest Free Loans | 218.86 | 157.76 | 358.86 | 274.00 |
| | 218.86 | 157.76 | 358.86 | 274.00 |
| Financial liabilities not measured at fair value: | | | | |
| Loans and borrowings | 433.10 | 433.10 | 980.66 | 980.66 |
| Trade payables | 237.95 | 237.95 | 324.40 | 324.40 |
| Other Financial Liabilities | 268.22 | 268.22 | 228.14 | 228.14 |
| | 939.27 | 939.27 | 1,533.20 | 1,533.20 |

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 2020

B. Capital Management

The Company strives to maintain a strong capital base so as to maintain investor, creditor and market confidence and to The Company's adjusted net debt to equity ratio at 31 March 2020/2019 is as follows.

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|----------------------------|----------------------------|
| Total borrowings ¹ | 590.86 | 1,254.66 |
| Less: Cash and bank balances ² | 115.22 | 16.66 |
| Adjusted net debt | 475.65 | 1,238.00 |
| Total equity | (925.11) | (1,512.04) |
| Less: Other components of equity | | |
| Adjusted equity | (925.11) | (1,512.04) |
| Adjusted net debt to adjusted equity ratio | (0.51) | (0.82) |

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

MIVEN MACHINE TOOLS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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.

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.

(Rs. in Lakhs)

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|--------------------------------|---------------------|---------------------|
| India | 31.87 | 46.02 |
| Other regions | - | - |
| Total trade receivables | 31.87 | 46.02 |

Details for Trade and other receivables is as follows:

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|--|---------------------|---------------------|
| Fully performed | 21.01 | 38.52 |
| Past due | 10.86 | 7.50 |
| Impaired | - | - |
| Total trade and other receivables | 31.87 | 46.02 |

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

MIVEN MACHINE TOOLS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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

(Rs. in Lakhs)

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|----------------------------------|------------------------|------------------------|
| Past dues more than 180 days old | 10.86 | 7.50 |
| Total of past receivables | 10.86 | 7.50 |

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 | As at 31 March 2020 | As at 31 March 2019 |
|---|------------------------|------------------------|
| Tangible assets | NIL | NIL |
| Security deposits | NIL | NIL |
| Bank guarantees | NIL | NIL |
| Total fair value of collaterals held | NIL | NIL |

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

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 2020 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.

MIVEN MACHINE TOOLS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Rs. in Lakhs)

| Particulars | Contractual cash flows | | | Adjustments | Carrying amount |
|---|------------------------|-------------------|-----------------|-------------|-----------------|
| | 1 year or less | 1 year to 5 years | 5 years or more | | |
| As at 31st March 2020 | | | | | |
| Non-derivative financial liabilities | | | | | |
| Non-current borrowings | 0.00 | 589.86 | 0.00 | 0.00 | 650.96 |
| Current borrowings | - | | 0.00 | 0.00 | - |
| Trade payables | 237.95 | | 0.00 | 0.00 | 237.95 |
| Other Financial Liabilities | 268.22 | | 0.00 | 0.00 | 268.22 |
| Derivative financial liabilities | | | | | |
| Forward contracts used for hedging: | | | | | |
| - Outflow | - | 0.00 | 0.00 | 0.00 | - |
| - Inflow | - | 0.00 | 0.00 | 0.00 | - |
| | 506.17 | 589.86 | - | - | 1,157.13 |
| As at 31st March 2019 | | | | | |
| Non-derivative financial liabilities | | | | | |
| Non-current borrowings | - | 749.04 | 0.00 | 0.00 | 833.90 |
| Current borrowings | 505.62 | - | 0.00 | 0.00 | 505.62 |
| Trade payables | 324.40 | - | 0.00 | 0.00 | 324.40 |
| Other Financial Liabilities | 228.14 | - | 0.00 | 0.00 | 228.14 |
| Derivative financial liabilities | | | | | |
| Forward contracts used for hedging: | | | | | |
| - Outflow | - | - | 0.00 | 0.00 | - |
| - Inflow | - | - | 0.00 | 0.00 | - |
| | 1,058.16 | 749.04 | - | - | 1,892.05 |

(iii) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity / commodity The Company's activities expose it primarily to the financial risks of changes in foreign exchange rates and interest rate

MIVEN MACHINE TOOLS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(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

The currency profile of financial assets and financial liabilities as at 31 March 2020 and 31 March 2019 are as below:

(Rs. in Lakhs)

| Particulars | Amount (Rs.) | Other Currencies | | | |
|---|-----------------|------------------|---|---|---|
| As at 31st March 2020 | | | | | |
| Financial assets | | | | | |
| Cash and cash equivalents | 115.22 | - | - | - | - |
| Current investments | - | - | - | - | - |
| Trade and other receivables | 31.87 | - | - | - | - |
| Other current financial assets | - | - | - | - | - |
| Non Current Investments | 0.50 | - | - | - | - |
| Other Non Current Financial Assets | 21.23 | - | - | - | - |
| | 168.81 | - | - | - | - |
| Financial liabilities | | | | | |
| Non-current borrowings | 589.86 | - | - | - | - |
| Short-term borrowings | - | - | - | - | - |
| Trade and other payables | 237.95 | - | - | - | - |
| Other non-current financial liabilities | - | - | - | - | - |
| Other current financial liabilities | 268.22 | - | - | - | - |
| | 1,096.03 | - | - | - | - |
| As at 31st March 2019 | | | | | |
| 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 | - | - | - | - |
| | 72.19 | - | - | - | - |
| Financial liabilities | | | | | |
| Non-current borrowings | 749.04 | - | - | - | - |
| Short-term borrowings | 505.62 | - | - | - | - |
| Trade and other payables | 324.40 | - | - | - | - |
| Other non-current financial liabilities | - | - | - | - | - |
| Other current financial liabilities | 228.14 | - | - | - | - |
| | 1,807.20 | - | - | - | - |

MIVEN MACHINE TOOLS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(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.

| Particulars | (Rs. in Lakhs) | |
|----------------------------------|------------------------|------------------------|
| | Carrying amount | |
| | As at 31 March 2020 | As at 31 March 2019 |
| Fixed-rate instruments | | |
| Financial assets | - | - |
| Financial liabilities | 650.96 | 833.90 |
| | | |
| Variable-rate instruments | | |
| Financial assets | | - |
| Financial liabilities | - | 505.62 |
| | | |
| | | |

(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.

FOR RAO ASSOCIATES

Chartered Accountants
 Firm Registration Number: 003080S

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

Vikram R Sirur
 DIN: 00312980

Anand B Kamalapur
 DIN: 00474775

SANDEEP S SHEKAR

Partner
 Membership No.: 232631
 Place: Bangalore
 Date : 24th. July 2020.

S G Gadagkar
 Chief Financial Officer

Arpita R Dhakane
 Company Secretary
 M. No. 54201