



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

September 06, 2019

Submitted electronically through the BSE listing centre

Dear Sir,

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

Ref: BSE Scrip Code 522306 ISIN: INE338P01014

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

Request you to take the same on record.

Thanking you,

For Miven Machine Tools Limited



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

Place : Hubli

Date : September 06, 2019

34th Annual Report 2018 - 2019



MIVEN MACHINE TOOLS LIMITED

MIVEN MACHINE TOOLS LIMITED

CONTENTS

Sl. No.	Particulars	Page No
1	Board of Directors	3
2	Notice of Annual General Meeting	4-14
3	Directors Report	15-21
4	MGT-9 Extract of Annual Return	22-28
5	Form AOC-2 Related Party transactions	29-31
6	Secretarial Audit Report	32-35
7	Independent Auditors Report	36-43
8	Financial statements: Balance Sheet, Profit and Loss account, Cash flow statement	44-47
9	Notes to Financial Statements	48-77
10	Attendance Slip and proxy form	79-83
11	Route map of the venue of AGM	85

34th Annual Report 2018 - 2019

BOARD OF DIRECTORS	:	Mr Vikram R Sirur - Managing Director Mr. Shyam M Sirur Mr. Nandan M Balwalli Mr. Anand B Kamalapur Mrs. Vrinda R Mantri - (Resigned wef. 11-02-2019) Mrs. Alka V Sirur - (Appointed wef.09-05-2019)
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 Karnataka, India
Bankers	:	SVC Co-operative Bank Ltd., Hubli.
Registrar and Transfer Agents :		M/s. BgSE Financials Limited RTA Division, 4th Floor, Stock Exchange Towers No 51, 1st Cross, J C Road, Bangalore-560027 Phone: 080 4132 9661 / 6667 3353 Email: avp_rta@bfsi.co.in / cs_rta@bfsi.co.in

MIVEN MACHINE TOOLS LIMITED

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

CIN: L29220KA1985PLC007036

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

NOTICE OF 34TH ANNUAL GENERAL MEETING

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

ORDINARY BUSINESS:

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

"RESOLVED THAT the Audited Balance Sheet as at March 31, 2019, together with the Statement of Profit and Loss for the year ended as on that date and the Reports of the Directors and Auditors thereon be and are hereby adopted".

2. To appoint a Director in place of Mr. Vikram R. Sirur, who retires by rotation and being eligible offers himself for re-appointment and in this connection, to pass the following resolution as an Ordinary Resolution:

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

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

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

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

SPECIAL BUSINESS:

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

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

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

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

1) Salary :

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

2) Allowances and perquisites :

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

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

iii) Gratuity :

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

3) Minimum Remuneration :

Not with standing anything contained contrary here in above, where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company shall pay salary, perquisites and allowances as specified above to the Managing Director as minimum remuneration to him subject to the provisions contained in Section 196, 197, 198, 200 and 203 read with Section II, Part II of Schedule V of the Companies Act, 2013 (including any statutory modifications(s) or re-enactment thereof for the time being force).

4) Others:

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

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

Place : Hubli
Date : May 30, 2019

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

Arpita R Dhakane
Company Secretary

34TH Annual Report 2018 - 2019

NOTES:

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

MIVEN MACHINE TOOLS LIMITED

Notice Contd...)

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

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

34th Annual Report 2018 - 2019

Notice Contd...)

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

- Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com
- Now click on "Shareholders" to cast your votes.
- Now, fill up the following details in the appropriate boxes:

User-ID	- For CDSL: 16 digits beneficiary ID - For NSDL: 8 Character DP ID followed by 8 Digits Client ID - Members holding shares in physical form should enter the Folio Number registered with the Company
---------	---

- Next enter the Image Verification as displayed and Click on Login.
- If you are a first time user follow the steps given below:

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

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

Notice Contd...)

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

34th Annual Report 2018 - 2019

Notice Contd...)

EXPLANATORY STATEMENT

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

Item No.4

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

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

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

I. General Information:

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

Rs in Lakhs

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

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

II. Information about the appointee:

- (i) Background details:

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

MIVEN MACHINE TOOLS LIMITED

Notice Contd...)

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

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

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

(iii) Recognition or awards: Not applicable

(iv) Job profile and his suitability:

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

(v) Remuneration proposed:

a) Salary:

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

b) Allowances and perquisites

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

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

h) Notice Period and termination:

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

III. Other information :

(i) Reasons for loss or inadequate profits:

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

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

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

34th Annual Report 2018 - 2018

Notice Contd...)

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

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

IV. Disclosures:

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

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

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

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

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

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

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

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