

28th

ANNUAL REPORT
2012-13



MACHINO
PLASTICS LIMITED



Corporate Information

Board of Directors

M. D. Jindal	Chairman
Sanjiivv Jindall	Managing Director
Masayuki Kamiya	Director
(Representative of Suzuki Motor Corporation, Japan)	
A. K. Tomer	Director
(Representative of Maruti Suzuki India Ltd.)	
R. Krishnan	Director
R. L. Gaggar	Director
G. C. Dwivedi	Director
S. Balasubramanian	Director

Bankers

The Bank of Tokyo-Mitsubishi UFJ Limited, New Delhi
 Allahabad Bank, Parliament Street, New Delhi
 Axis Bank, DLF, Gurgaon Branch
 Kotak Mahindra Bank Limited, Ambadeep Building, KG Marg, New Delhi

Auditors

Goel Garg & Co.
 Chartered Accountants,
 New Delhi

General Manager (F) & Company Secretary

Surya Kant Agrawal

Registered Office

Plot No. 3, Maruti Joint Venture Complex,
 Udyog Vihar Phase-IV,
 Gurgaon-122015 (Haryana)
 Ph: 0124-2341218, 2340806, 2346094, 2347601
 Fax: 0124-2340692
 Email: sec.legal@machino.com

Share Transfer Agent (For Demat & Physical Purpose)

Alankit Assignments Limited
 2E/21, Jhandewalan Extension,
 New Delhi-110 055
 Ph: 011-42541234
 Fax: 011-23552001
 Email: alankit@alankit.com

Content

Page No.

Corporate Information	1
Notice of Annual General Meeting	2-3
Notes	4-8
Directors' Report	9-13
Management Analysis & Discussion Report	14-15
Corporate Governance Report	16-28
Code of Conduct	29
CEO Certificate	30
Certificate	31
Independent Auditors' Report	32-36
Balance Sheet	37
Profit & Loss Account	38
Cash Flow	39
Significant Account Policies	40-41
Notes to Financial Statements	42-59

28th Annual General Meeting on Tuesday 13th August, 2013, at 12.00 noon at GIA House, IDC Opp.-Sector-14, Mehrauli Road, Gurgaon-122001 (Haryana)

The Annual Report can be accessed at
www.machino.com

Notice of Annual General Meeting

Notice is hereby given that the 28th Annual General Meeting of the members of M/s Machino Plastics Limited will be held on **Tuesday, the 13th Aug, 2013**, at **12.00 noon** at GIA House, IDC, Mehrauli Road, Gurgaon (Haryana), to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2013 and Profit and Loss Account for the year ended on that date and report of auditors and directors thereon.
2. To appoint the auditors of the company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the company and authorize the Board to fix their remuneration.
3.
 - i) To appoint a director in place of Mr. G C Dwivedi who retires by rotation and being eligible offers himself for re-appointment.
 - ii) To appoint a director in place of Mr. S Balasubramanian who retires by rotation and being eligible offers himself for re-appointment.
 - iii) To appoint a director in place of Mr. M. D. Jindal who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS

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

“RESOLVED AS A SPECIAL RESOLUTION THAT pursuant to the provision of section 198, 269, 309, 310, 311, 316 & all other applicable provisions of the Companies Act, 1956 read with schedule XIII of the Companies Act, 1956 and any other applicable provisions and subject to such approval of the central government as may be necessary, approval of members be and is hereby accorded for reappointment of Dr. Sanjiivv Jindall, Managing Director of the company for a period of three years with effect from 1st April 2012 as per the terms and condition mentioned below:

REMUNERATION:

Basic Salary : Rs. 4,80,000/- per month
HRA : Rs. 20,000/- per month
Provident Fund : Rs. 57,600/- per month

Besides the above he shall be entitled for reimbursement of entertainment expenses, telephone/mobile expenses, travel expenses and car running and maintenance expenses and such other expenses as be required to be incurred in the course of legitimate business for the company. He shall also be entitled to earned/privilege leaves, gratuity and other retirement benefits as per the rules of the company and as may be permitted in law and in case Central Government's approval is varied, remuneration shall be paid in accordance with Schedule-XIII of the Companies Act, 1956 or such other remuneration as may be permissible under law.

MINIMUM REMUNERATION

The members approval is accorded that in the event of absence or inadequacy of profits, Dr. Sanjiivv Jindall shall be paid above remuneration as minimum remuneration or such other remuneration as may be permissible under law.

RESOLVED FURTHER THAT in the event of any other relaxation by the Central Government in the guidelines of ceilings on managerial remuneration or otherwise, the Board of Directors of the Company or any committee thereof such as remuneration committee, be and is hereby authorized to increase the remuneration and/or perquisites to the Managing Director in its absolute discretion, within such guidelines or ceilings and approval of the Central Government, wherever necessary, and the consent of the members of the company as may be required under various applicable provisions of the Companies Act, 1956 as amended from time to time, be and is hereby granted.”

RESOLVED FURTHER THAT the Managing Director or any Director or Company Secretary be and is hereby authorized, individually, to do and perform all such acts, deeds and things as



may be considered desirable or expedient to give effect to this resolution.

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

“RESOLVED AS A SPECIAL RESOLUTION THAT pursuant to the provisions of section 314(1B) of the Companies Act, 1956 and subject to the approval of the Central Government, if required and other applicable provisions, consent of the Company be and is hereby accorded to increase the remuneration of Ms. Simta Jindal, daughter of Dr. Sanjiivv Jindall, the Managing Director and granddaughter of Mr. M D Jindal, Chairman of the company from Rs. 49,000/- per month and to such an amount as may be approved by board of director from time to time subject to a maximum of Rs. 2,50,000 per month or such other amount as may be revised by Central Government from time to time.”

“RESOLVED FURTHER THAT Dr. Sanjiivv Jindall, the Managing Director of the Company, or any other director or the Company Secretary be and is hereby authorized to file form with ROC and to do all such other acts as may be required to give effect to the aforesaid resolution.”

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

“RESOLVED AS A SPECIAL RESOLUTION that pursuant to provisions of sections 316, 314, 269 and all other applicable provisions, if any, of the Companies Act, 1956(including any statutory modification or re-enactment thereof for the time being in force) and subject to the approval of Central Government and such other consents, approvals and permissions if required, consent of the company be and is hereby accorded to designate Mr. M. D. Jindal, Director of the Company, who is already a Managing Director of Machino Polymers Limited, as an Executive Chairman of the Company.”

“RESOLVED FURTHER THAT Mr. M D Jindal will not be drawing any remuneration, except for sitting fees, company maintained chauffeur driven

car and travel expenses incurred for the business of the company.

RESOLVED FURTHER THAT Mr. Sanjiivv Jindall, Managing Director or Company Secretary or Mr. M D Jindal, Chairman of the Company be and are hereby severally authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and sign and execute all applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds and things may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.

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

“RESOLVED AS A SPECIAL RESOLUTION that pursuant to provisions of section 314(B) of the Companies Act, 1956 and subject to approval of the Central Government, if required and other applicable provisions, consent of the Company be and is hereby accorded to appoint Mr. Aditya Jindal, Vice President of the Company and son of Mr. Sanjiivv Jindall, Managing Director and grandson of Mr. M D Jindal , Chairman of the Company to hold an office or place of profit as an Executive Director, not being a member of Board, at a remuneration as be approved by the Board subject to the maximum of Rs. 2,50,000 per month or such other amount as may be revised by Central Government from time to time.

“RESOLVED FURTHER THAT Dr. Sanjiivv Jindall, the Managing Director or any other director or Company Secretary of the Company, be and is hereby authorized to file form with ROC and to do all such other acts as may be required to give effect to the aforesaid resolution.”

By order of the Board of Directors

Sd/-
Sanjiivv Jindall
(Managing Director)

NOTES

1. A MEMBER IS ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE ON A POLL IN THE MEETING INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER.

THE INSTRUMENT APPOINTING A PROXY SHOULD BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE, NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE AFORESAID MEETING.

2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting.
4. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. All documents referred to, in the accompanying notice and explanatory statement, are open for inspection at the registered office of the company on all working days, during regular business hours and shall also be available at the meeting.
6. The register of members and share transfer books of the company will remain closed on 13th Aug, 2013.
7. All unclaimed dividend declared up to the financial year ended March 31, 2005 have been transferred to the General Revenue Account of the Central Government as required under the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978. Members who have not so far claimed or collected their dividend declared up to the financial year are requested to claim such dividend from Registrar of Companies, NCT of Delhi & Haryana, 4th Floor, IFCI Tower, Nehru Place, New Delhi-110 019.

Dividend for the financial year ended March 31, 2006 and thereafter, which remain unpaid or unclaimed for

a period of seven years from the date they became due for payment will be transferred by company to Investor Education & Protection Fund. Members who have not so far encashed dividend warrant(s) for aforesaid years are requested to seek issue of duplicate warrant(s) by writing to the company/Registrar immediately.

8. Members are requested to notify immediately any change in their address along with PIN code numbers to the company or the share transfer agent of the company (M/s Alankit Assignments Limited, 2E/21, Jhandewalan Extension, New Delhi-110055).
9. Individual shareholders can take the facility of nomination. For further detail in this regard shareholders may contact Share Transfer Agent of the company.
10. The shares of the company are transacted in compulsory dematerialize form. Shareholders are requested to convert their shares in Demat format at the earliest possible.
11. Members are requested to quote their Demat account / folio no. in all correspondence with the company.
12. MCA (Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011) allows service of documents to shareholders through electronic mode. Thus companies can now send various documents i.e. Notices convening General Meetings, Audited Financial Statements, Directors' Report, Auditors' Report etc. to its shareholders through electronic mode to the registered e-mail addresses of shareholders.

Members who wish to have Annual Report and other notices, communication in electronic mode may register their e-mail addresses with Alankit Assignments Ltd., Registrar and Transfer Agent of the Company at alankit@alankit.com or with Machino Plastics Ltd. at sec.legal@machino.com, giving their consent to accept delivery in electronic form as above.

The Annual Report and other communication sent electronically will be displayed on Company's website www.machino.com and will also be available for inspection at the registered office of the company during the office hours.



13. As per SEBI circular No. CIR/MRD/DP/10/2013 dated 21st March, 2013, which encourages usage of electronic modes of payment i.e., ECS/ NECS/NEFT, etc. for making cash payments to the investors. Therefore the investors are requested to provide/ update their bank account details with Registrar and Transfer Agent, Alankit Assignments Limited, Alankit House, 2E/21 Jhandewalan Extention, New Delhi, 110055 so that dividend can be remitted to the credit of their bank account through ECS facility, provided such facility is available in your locality.

Explanatory Statement to item no. 4

Mr. Sanjiivv Jindall, the Managing Director of the Company was reappointed as Managing Director for a term of three years. His term has expired on 31st March, 2012. He is presently paid remuneration aggregating to Rs. 557,600/-

per month under various heads as approved by Central Government vide their letter No. A93199115/1/2010 – CL – VII dated 19.11.2010.

The Remuneration Committee and the Board of Directors in their meetings held on 3rd June, 2013 approved the reappointment and remuneration of Mr. Sanjiivv Jindall, Managing Director for period of three years w.e.f 1st April, 2012. In view of inadequate profits the appointment and remuneration payable to Dr. Sanjiivv Jindall, Managing Director is subject to the approval of Central Government.

Your directors recommend the special resolution as set out in item no.4 for your approval.

Except Mr. M.D Jindal, who is related to Dr. Sanjiivv Jindall and Dr. Sanjiivv Jindall, himself, no other directors are interested in this resolution.

STATEMENT GIVING INFORMATION REQUIRED UNDER PART II, SECTION II(C) TO THE SCHEDULE XIII OF THE COMPANIES ACT FOR PAYMENT OF REMUNERATION TO DR. SANJIIVV JINDALL, MANAGING DIRECTOR

I. GENERAL INFORMATION:

1. Nature of Industry

Your Company is engaged in the manufacture of large size injection moulded automotive components i.e. Bumpers, Instrumental panels, Grills as original equipments and for Spare parts markets mainly for Maruti Suzuki India Ltd.(MSIL). The Company also manufactures automotive parts for VE Commercial Vehicles Ltd.(VECV), Suzuki Motor Cycle India Pvt. Ltd., Mikuni India Pvt. Ltd. etc.

2. Date or expected date of commencement of commercial production.

The Company is already in production since Dec, 1987.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.

Not applicable, as the Company is an existing one.

4. Financial performance based on given indicators

	2012-13 (Rs.)	2011-12 (Rs.)
Income from operations (Net of Excise)	1,696,049,319	1,523,505,142
Profit before tax	(9,133,617)	(4,701,615)
Dividend	-Nil-	-Nil-

5. Export performance and net foreign exchange collaborations.

The Company has negligible exports

6. Foreign investments or collaborators, if any.

The Company is having financial collaboration with M/s Suzuki Motor Corporation, Japan, who holds 15.35% of the total equity of the Company.

II. INFORMATION ABOUT THE APPOINTEE i.e., DR. SANJIIVV JINDALL

1. Background Details:

Dr. Sanjiivv Jindall, Managing Director aged 55 years, has completed his Doctorate (Ph.D) from Pacific Western University, U.S.A in Marketing and MBA in Marketing from

International Management Institute, Delhi and is a Commerce graduate from St. Xavier's College, Calcutta. He has rich experience in the field of plastic moulding and marketing and is associated with the company since its inception.

2. Past Remuneration

The remuneration being paid to Dr. Sanjiiv Jindal, from 1st April 2010 was Rs. 5,57,600/- (including contribution to PF) per month.

3. Recognition and Awards

An able and successful entrepreneur under whose leadership the Company could achieve and maintain impeccable operational standards.

The Company has got no. 1 vendor ranking from its main customer namely MSIL for the month of April, 2013. The Company has got various awards from Maruti Suzuki India Ltd. and VECV on various occasions for different categories.

Company has successfully obtained ISO 14001, ISO/TS 16949 and OHSAS 18001.

4. Job Profile and his suitability

The job profile of the Managing Director of the Company includes day to day operations, overall supervision and control of the Company's activities and in particular to attend all the matters concerning production planning, manufacture, finance, administration and such other duties and services as entrusted by the Board of Directors.

5. Remuneration proposed

Basic Salary : Rs. 4,80,000/- per month

HRA : Rs. 20,000/- per month

Provident Fund : Rs. 57,600/- per month

Besides the above he shall be entitled for reimbursement of entertainment expenses, telephone/mobile expenses and car running and maintenance expenses required to be incurred in the course of legitimate business for the company. He shall also be entitled to earned/privilege leaves, gratuity and other retirement benefits as per the rules

of the company and as may be permitted in accordance with schedule XIII of the Companies Act, 1956.

D. OTHER TERMS AND CONDITIONS

In the event of absence or inadequacy of profits in any financial year, the Managing Director shall be entitled to the minimum remuneration as mentioned herein above and in case Central Government approval is varied, he shall be paid such a remuneration as permissible under law.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)

The remuneration proposed to be paid to the Managing Director is comparable with other joint venture companies of MSIL.

7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any

Except for the remuneration as Managing Director and his shareholding, the appointee is also a director and substantial shareholder in M/s. Grandmaastters Mold Limited (GML), a mould and spares supplier to the company. His wife Mrs. Sarita Jindal is an employee of the company at a remuneration of Rs.49,500/- p.m.. The company has taken on lease a house belonging to his mother Mrs. Kamla Jindal. The company is buying raw material from M/s Machino Polymers Limited where he is a director. His son Mr. Aditya Jindal is an Executive Director, not being member of the board, of the company at a salary of Rs. 2,00,000/- p.m. and his daughter Ms. Simta Jindal is Marketing Manager of the Company at salary of Rs. 49,000/-, which are proposed to be increased as in item no. 7 & 5 respectively of this notice.

The appointee is related to Mr. M. D. Jindal, Chairman of the Company, who is his father.

III. OTHER INFORMATION

1. Reason for loss or inadequate profits

The expenses have increased due to inflation whereas the volumes have not increased that



much. As MSIL is the prime customer of the Company a decline/stagnation in the sales of MSIL directly affects the sales volume of the Company.

2. Steps taken or proposed to be taken for the improvement.

The Company is making efforts for cost reduction and on increasing Non-MSIL business.

IV. DISCLOSURES:

1. The shareholders of the Company shall be informed of the remuneration package of the managerial person.

The details of remuneration package of Dr. Sanjiivv Jindall, Managing Director forms a part of accompanying notice.

2. The following disclosures shall be mentioned in the Board of Directors Report under the heading 'Corporate Governance', attached to the annual report:-

All elements of remuneration package such as salary, benefits and perquisites etc. of all the directors.

Necessary particulars of remuneration under required heads and sitting fees of all the Directors are given in Corporate Governance Report forming part of the Directors' Report for the year 2012-13.

Explanatory Statement to Item no. 5

Ms. Simta Jindal daughter of Dr. Sanjiivv Jindall, Managing Director of the Company has done her Graduation in English in the year 2004 and has also done PGD in Advertising and Marketing Management from Amity School of Communication, Amity University. She has worked with Hindustan Times as Sales Co-ordinator (PACE) during 2005-06.

She is associated with the Company since 1st Feb, 2010 as an Executive in marketing with a remuneration of Rs. 25000/-p.m. on 28.05.2011 she has been promoted to Marketing Manager, drawing salary of Rs. 49,000/- per month. The Board of Directors is authorized to increase the remuneration from time to time subject to a maximum of Rs. 2,50,000/- per month or such other amount as may be revised by Central Government from time to time.

Except Dr. Sanjiivv Jindall and Mr. M D Jindal, no other directors are interested in this resolution.

Explanatory Statement to Item no. 6

Mr. M D Jindal is an industrialist with rich experience of over 60 years in Automobile Industry. He is a graduate in Economics & Engineer with specialization in Automobile Industry from England. He is founder of the Company.

As Indian Automobile Industry is passing through the difficult times. In this hour of need, Company would be required to be guided to able to sail through this difficult phase. It is proposed that Mr. M D Jindal be re-designated from Non-executive Chairman Director to Executive Chairman of the Company, from the date of his re-designation by the board, without remuneration except for sitting fees, company maintained chauffer driven car and travel expense incurred for the business of the company, so that company can be benefitted from his rich experience.

Except Dr. Sanjiivv Jindall and Mr. M D Jindal himself, no other directors are interested in this resolution.

Explanatory Statement to Item no. 7

It is proposed to re designate Mr. Aditya Jindal, Vice President of the Company as Executive Director not being member of the Board at such a remuneration as recommended by the remuneration committee and approved by the Board.

Except Dr. Sanjiivv Jindall and Mr. M D Jindal, no other directors are interested in this resolution.

MACHINO PLASTICS LIMITED

Information to Shareholders in pursuance of Clause 49 (IV) (G) of Listing Agreement with reference appointment/reappointment of directors

Director	Brief Resume	Hold Directorship in other Co's	Membership in Committee	Shares held
Mr. G C Dwivedi	Mr. G C Dwivedi is a B.E.(Mechanical Engineering) from Moti Lal Nehru Regional Engineering College, Allahabad University. He carries with him a long and vast experience of about 33 years into the field of management.	None	None	Nil
Mr. S Balasubramanian	Mr. S Balasubramanian is a LLB from Delhi university and associate member of ICAI, ICSI & ICWAI. He is member of Delhi High Court Bar Council and he has over 18 years of experience in the Company Law Board as a member, the Vice President including 12 years as Chairman.	Jaypee Infratech Ltd GVK Power & Infrastructure Ltd. Emami Paper Mills Ltd. Crest Animation Studios Ltd.	GVK Power & Infrastructure Ltd. Emami Paper Mills Ltd.	NIL
Mr. M D Jindal	Mr. M D Jindal is an industrialist with rich experience of over 60 years in Automobile Industry. He is a graduate in Economics & Engineer with specialization in Automobile Industry from England. He is founder of the Company.	Machino Polymers Ltd. Machino Techno Sales Ltd. Machino Auto Comp Ltd. Machino Finance Pvt. Ltd. Machino Motors Pvt. Ltd. Rajiv Exports Industries Pvt. Ltd. Machino Transport Pvt. Ltd. Machino Media Pvt. Ltd. Machino Auto Comp Tooling Pvt. Ltd.	Machino Polymers Ltd.	2687
Dr. Sanjiivv Jindall	Dr. Sanjiivv Jindall, the Managing Director aged 55 years, has completed his Doctorate (Ph.D) from Pacific Western University, U.S.A in Marketing and MBA in Marketing from International Management Institute, Delhi and is a commerce graduate from St. Xavier's College, Calcutta. He has rich experience in the field of plastic moulding and marketing and is associated with the company since its inception.	Grandmaastters Mold Ltd. Machino Polymers Ltd. Machino Techno Sales Ltd. Pranaa Plastics Ltd. Machino Transport Pvt. Ltd.	Machino Polymers Ltd.	559202



Directors' Report

The Members,

Your directors have pleasure in presenting the 28th Annual Report together with audited statement of accounts for the financial year ended 31st March, 2013.

OPERATION REVIEW:

India's largest car maker Maruti Suzuki India Ltd believes growth in the domestic passenger vehicle industry may languish in the single digits for the next three years, painting a grim picture for a market that was once among the brightest spots in the global auto business.

Not only has the firm cut its forecast for the passenger car market to four million units by 2015-16, from its earlier projection of five million, but it has also said it is aiming at maintaining its current market share of 40%, and not chasing the 50% it once targeted.

The automobile market remained stagnant during the year and there has been marginal increase in sales of our main customer Maruti Suzuki India Limited. Maruti Suzuki India Ltd sold in domestic market a total of 1,051,046 vehicles in 2012-13. The total sales numbers in 2012-13 has increased by 4.4% over preceding financial year. Maruti Suzuki's domestic sale in 2011-12 was 1,006,316 vehicles.

Your company has acquired Land in Pithampur (Indore), Madhya Pradesh and has started construction of the building to manufacture plastic moulding components. The Company is likely to commence its business from April, 2014.

FINANCIAL REVIEW:

Financial Performance	(Rs. In Lacs) 2012-13	(Rs. In Lacs) 2011-12
Income from operation (net of excise)	16,960.49	15,235.05
Other Income	76.17	220.48
Profit (before financial charges, depreciation and tax)	1,685.03	1,612.51
Financial charges	465.31	480.02
Depreciation	1,311.06	1,179.51
Profit before tax	(91.34)	(47.02)
Provision for tax (after adjustment of deferred tax)	41.40	53.10
Profit after tax	(132.74)	(100.12)

The turnover of the company has increased by 11.33% approx. i.e. from Rs. 15,235.05 Lacs in 2011-12 to Rs. 16,960.49 Lacs in current year. Company has incurred a pretax loss of Rs. 91.34 lacs as compared to loss of Rs. 47.02 lacs of last year.

DIVIDEND:

The company is expanding and setting up a new plant at Pithampur (Indore), Madhya Pradesh. Company needs to preserve resources, therefore for abundant prudence, the board of your Company has decided not to recommend any dividend.

FOREIGN EXCHANGE:

Company has total foreign exchange earnings of Rs.294.65 lacs during the relevant financial year which is primarily the payment received for moulds from Volvo Truck Corporation for the parts to be made for them.

MACHINO PLASTICS LIMITED

DIRECTORS' RESPONSIBILITY STATEMENT:

In compliance with Section 217 (2AA) of the Companies Act, 1956 as amended by the Companies Amendment Act, 2000, the directors of your company subject to notes appended to accounts and auditors' report, confirm:

- That in preparation of annual accounts for the financial year ended 31st March, 2013, the applicable accounting standards have been followed and that there are no material departures.
- That such accounting policies have been selected and applied consistently and such judgements and estimates made are reasonable and prudent so as to give a true & fair view of the state of affairs of the company at the end of the financial year as at 31st March, 2013 and of the profit of the Company for the year ended 31st March, 2013.
- That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- That the annual accounts have been prepared on a going concern basis.

DIRECTORS:

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company Mr. G C Dwivedi, Mr. S. Balasubramanian and Mr. M.D Jindal retire by rotation and being eligible offer themselves for reappointment.

LISTING:

The Equity Shares of the company are listed at Bombay Stock Exchange. The company has paid listing fees to the stock exchange for the year 2013-14.

AUDITORS:

M/s Goel Garg & Company, Chartered Accountants, the statutory auditors of the company retire at the

conclusion of ensuing Annual General Meeting of the company and being eligible, offer themselves for reappointment.

AUDITORS' REPORT:

The observation of the auditors is self explanatory and / or is suitably explained in the notes to the accounts. The auditors have made following qualification/ observation which is suitably replied:

Qualification

- *Managerial remuneration paid during the year ended 31st March, 2013 to the Managing Director & Whole Time Director exceeds the limit prescribed by the section 198 and 309 of companies Act, 1956 by an amount of Rs. 18,00,000. The Company is in the process of filing an application with the central government seeking approval for the excess remuneration paid as above. Pending approval of central government, we are unable to comment on the impact of this excess payment on the Loss for the year ended 31st March, 2013 & corresponding impact on reserve & surplus as at 31st March, 2013.*

Emphasis of Matter

- *We draw users' attention to note no. 30 to financial statement, where in the Hon'ble High Court of Punjab and Haryana has awarded enhanced compensation to land looser in respect of land acquired by HSIIDC, a Government Agency, from whom the company has purchased on 16th March, 2005, four acres of land for its factory at Manesar. In turn HSIIDC has demanded a sum of Rs. 42,320,250 in respect of land allotted to the company. IMT Manesar Association has filed petition in the Hon'ble High Court of Punjab and Haryana challenging the demand on behalf of industries of Manesar. The Hon'ble High Court has directed allottees, in the hearing dated 30th April, 2013 to deposit 40% of demanded amount, pending final judgement. The Company has not yet paid any amount. However in case, the said enhancement is paid the same will form of cost of free hold land at Manesar. Our opinion is not*



qualified in respect of this matter.

Management Reply

- Company will make application to the Central Government for approval of remuneration of Mr. Sanjiivv Jindall, Managing Director of the Company after obtaining consent of the shareholders in ensuing Annual General Meeting.
- Payment of enhanced compensation plus interest to be made to HSIIDC authorities shall be adjusted from the land revaluation reserve/cost of land.

COST AUDITORS:

The H. Tara & Co. has been appointed as cost auditor of the company for the Year 2012-13. The due date for filing cost audit report is 180 days from the end of financial year 2012-13.

CORPORATE GOVERNANCE:

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Reports on Corporate Governance and Management Analysis & Discussion Report have been included in this annual report as a separate section (forming part of Directors' Report) along with the Auditors' Certificate.

DEPOSITS

Your company has not accepted any deposits u/s 58A of the Companies Act, 1956 & rules made there under.

PARTICULARS OF EMPLOYEES

Details of employee of the company as specified by section 217(2A) of the companies Act, 1956 read with the Companies (Particulars of Employee) Rules, 1975 as amended by Companies (Particulars of Employees) Rules, 2002 are annexed hereto as Annexure-II and form part of the report.

ADDITIONAL INFORMATION

Information pursuant to section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 is furnished hereunder:

A. CONSERVATION OF ENERGY

Continuous overhauling of equipments and awareness

amongst employees has helped to avoid wastage of energy. New investments have been made to monitor consumption of energy at various levels.

Series of steps have been taken to identify areas of excess consumption of power and checks have been strengthened at these points.

Data regarding energy consumed is given hereunder:

Power & Fuel Consumption	2012-13	2011-12
1. Electricity		
(a) Purchase units/ co-generated	1,08,95,633	96,28,794
Total Cost (Rs. In lacs)	963.32	837.34
Rate per units	8.84	8.70
(b) Own Generation-D.G. Set		
Units generated	13,27,135	14,15,182
Fuel Cost (Rs. In Lacs)	155.22	171.43
Fuel cost per unit	11.70	12.11
2. Coal	NIL	NIL
3. Furnace Oil	NIL	NIL
4. Other / Internal generation	NIL	NIL

B. TECHNOLOGY ABSORPTION

A statement giving details of technology absorption in accordance with the above Rules is annexed hereto as Annexure I and forms part of the Report.

C. FOREIGN EXCHANGE EARNING & OUTGO

Rs. In Lacs

Total foreign exchange earning (Primarily payment for mould received from Volvo Truck Corporation)	294.65
Total foreign exchange outgo	1093.34

D. ENVIRONMENT

The Company is not involved in any type of activity hazardous to environment and does not discharge any trade effluents (solid, liquid or gaseous) causing

MACHINO PLASTICS LIMITED

pollutions. As an environment conscious responsible corporate citizen, your company has implemented GSCM (Green Supply Chain Management) standards and is ISO14001 certified holder. The company has also achieved ISO18001-OHSAS certification for occupational health and safety.

ACKNOWLEDGEMENT

Your Directors take this opportunity to gratefully acknowledge the valuable co-operation and assistance extended by Maruti Suzuki India Ltd., Suzuki Motors Corporation, Japan, Government of India, Government of Haryana and the Company's bankers for their continued support and guidance. Your directors also wish to place on record their sincere appreciation of the dedication and efforts shown by all employees of the company and are thankful to the shareholders for their continued patronage, trust and confidence in the company.

For and on behalf of the Board
Machino Plastics Limited

Place : Gurgaon
Date : 3rd June, 2013

Sd/-
M.D. Jindal
(Chairman)



ANNEXURE - I

Form 'B'-Technology Absorption

1.	Specific areas in which R&D carried out by the company	None
2.	Benefits derived as a result of above R&D	NA
3.	Future plan of action	None
4.	Expenditure on R&D (Rs. In Lacs)	a. Capital NIL b. Recurring NIL c. Total NIL d. Total R & D NIL expenditure as % of total turnover

ANNEXURE - II

Particulars of Employees

S. No.	Name	Age (yrs.)	Designation	Remuneration (Rs.)	Qualification	Total experience	Date of commencement of employment	Last employment held designation/ period
1.	Dr.Sanjiivv Jindall	55	Managing Director	66,91,200	B. Com. MBA PhD.	26	01-07-1987	-

MANAGEMENT ANALYSIS & DISCUSSION REPORT

Industry Structure & Development

Your Company is mainly engaged in the manufacture of large size injection moulded automotive components i.e. bumpers, instruments panels, grills etc. as original equipments and for spare parts market primarily for Maruti Suzuki India Limited (MSIL). The company also manufactures various automotive small components for others.

Your company can be classified as the automotive components manufacturer in view of the application of product made. From manufacturing process involved it may be classified as a plastic part manufacturer. Your company has 41 nos. injection moulding machines, sizes ranging from 100 Ton to 3150 Ton clamping force. Your company has been dealing in bulky plastic automotive components which can be supplied by setting production facility next door to automobile industries. For supplying such components to customer other than MSIL, it has set up an additional facility.

The automotive sector is witnessing stagnation in volumes for passenger cars. Company has to expand and look for business other than existing customers.

Opportunities & Threats

Growing market of India has already attracted all major automotive companies to start operation here. India is expected to be one of major auto hub in the world map soon.

The principal customer of the company is Maruti Suzuki India Limited (MSIL) and growth of the company currently depends mainly on the growth of MSIL.

MSIL continues to be the leader in Indian car market and has closed the financial year 2012-13 with domestic sale of 1,051,046 units. Maruti's domestic sale in 2012-13 represents a growth of 4.4% over 2011-12.

Your company is positively working towards (i) expanding its operation to other customers and (ii) manufacturing of smaller components during 2013-14.

The small to large size of machine range helps your company to cater to all types of customer's part sizes. Moreover, the machines are versatile to process virtually all types of polymers and can make not only

automotive but also other plastic goods by changing moulds. Thus, your company has immense capability to keep pace with the growing and diverse requirement of MSIL as well it has the possibilities for other business besides automobiles.

The possible threats to the company can be:

- Sluggish market conditions
- Rupee – Dollar devaluation
- Uncertain Government policies
- Inflation

Segment-wise or Product-wise Performance

Currently your company operates in to only one segment i.e. automotive injection moulding plastic components and is trying to diversify its product and range of industry it caters to. Your company now also has capabilities in moulding smaller and intricate functional and aesthetic parts in automotive and other industries.

Outlook

The year 2012-13 was marked by global uncertainties and slow down in the Indian economy but the automobiles sales is expected to increase in 2013 over 2012.

The growth expected in the domestic automobile industry will give a fillip to the auto component sector albeit the fact that the automobile industry may face stagnation for couple of years after a phenomenon growth in the past. With many players entering the market the share of major customer of the company may come down. The Indian automobile industry as a whole offers great potential considering the low penetration along with rising income levels and a rapidly growing middle class. These factors will witness a boost in demand for vehicles passenger cars and two wheelers.

The Manesar Plant of the company is now the focus area for all future growth of the company.

Your company has acquired Land in Pithampur (Indore) and has started construction of the building to manufacture plastics moulding components. This has enabled the presence of your Company in the Vendor parks of VE Commercial Vehicles Ltd.



Risks & Concerns

Though India rides on some inherent strength, following risk factors exist which the auto component manufacturers may have to counter with:

- A global and/or economic slowdown can derail the prospects of the industry.
- Volatility in the prices of material and other inputs could erode the industry's cost competitiveness. Furthermore OEMs reduction in prices every year.
- Intense competition from counterparts may add further pressure on margin of manufacturers.

Lower projection of economic growth and continuing high inflation has further dented customer sentiments, which may hamper sales.

The overall trend is challenging, but remaining competitive in this changing scenario will be the toughest challenge. The combination of low manufacturing costs along with quality systems would give an edge to companies in terms of pricing and quality. Expansion and diversification will help break into new markets. It would be imperative for these companies, which are largely based on traditional management practices, to imbibe technology in a big way. The SMEs can exploit these opportunities through joint ventures, collaboration and technical tie-ups. Knowledge, specialization, innovation and networking will determine the success of the SMEs in this globally competitive environment.

Your company is power, manpower and capital intensive business unit. Power is obtained from Maruti from its co-shared power plant which runs on gas and DHBVN Ltd and DG Set. The increase in per unit cost of power supply will materially affect the cost of production. State supplied power is in-adequate quantity and quality of power is poor. Further under-utilization of plant due to demand slow down will hit the bottom line as the fixed cost is very high.

Financial Performance

Your company has registered a growth for the year 2012-13. The turnover has increased by 11.33%. The turnover of the company has reached to Rs. 16,960.49 lacs as against Rs. 15,235.05 lacs in last year. Company has incurred a pretax loss of Rs.91.34 lacs as compared to loss of Rs. 47.02 lacs of last year.

Internal Control System

Your company has adequate internal control systems commensurate with its size and operations, although not documented. The company regularly gets its accounts audited from the internal auditor.

Further internal audit has been outsourced to M/s J.L Garg & Co., Chartered Accountants. The audit covers all the areas e.g. Finance, HR, Purchase, Statutory Compliance etc. and regular audits are conducted by Internal Auditors. The Audit observations are periodically reviewed by the Audit Committee of the Board of Directors and necessary directions are issued, wherever required.

Human Resources/Industrial Resources

The company during the previous year continued its record of good industrial relations with its employees. During the year various initiatives had been taken to improve the performance and productivity levels in various departments of the company. The company has its own in-house technical centre in the plant to train the new recruits before their placement that helps in optimum utilization of resources as well as maintaining quality standards. It also indulges into and implements various HR initiatives and activities including employee welfare, special rewards, performance review system and various employee motivation activities.

The company has already undertaken KAIZEN with an aim to become a world class company. A separate KAIZEN team which was created within the organisation to monitor and achieve the target is giving an advantage to the company by increasing the efficiency of different departments. Your company has already adopted the suggestions scheme in the company which is increasing the employee's participation in managing the company.

During the National Safety week celebrated on first week of March, 2013 training sessions on Industrial safety, how to prevent accidents, and ESI norms were held to educate our employees about safety norms and medical facilities available.

In addition to the above, several health checks such as a blood test, dental care and eye test were conducted for employees.

Cautionary Statement

Management Discussion and Analysis Report may be Forward Looking Statement. Actual result may differ materially from those expressed or implied depending upon global and Indian regulations, tax regimes, and economic developments within India and overseas.

Corporate Governance Report

In terms of clause 49 of the Listing Agreement of the Stock Exchanges, the Compliance Report on Corporate Governance is as reported below:

Company philosophy on Corporate Governance

Corporate Governance essentially is the system by which companies are directed and controlled by the management in the best interest of the stakeholders and others. Corporate Governance ensures fairness, transparency and integrity of the management. Corporate Governance is a way of life, rather than a mere legal compulsion. It further inspires and strengthens investors' confidence and commitment to the company.

The company, through its Board and Committees, endeavors to strike and deliver the highest governing standards for the benefit of its stakeholders.

Corporate Governance Monitoring and Review Process at Machino:

Machino continuously reviews its policies and practices of corporate governance with a clear goal not merely to comply with statutory requirements in letter and spirit but also constantly endeavors to implement the best international practices of Corporate Governance, in the overall interest of all stakeholders.

Board of Directors

(I) Composition of Board

The Board of Directors of your company has a combination of executive, non-executive and independent directors. As on 31st March, 2013, the Board comprises of eight directors headed by the Chairman. One half of the Board comprises independent directors who do not have any pecuniary relationship and transactions with the company, promoter or management which may affect the judgement of any independent director. The Board of Directors approves and reviews strategy and oversees the actions and results of management to ensure that the long term objectives of maximizing profit and enhancing shareholder value are achieved.

Name	Category	Designation	Director-Ship held in other public limited companies	No. of Chairmanships/Memberships of Board Committees			Remarks
				Chairmanship	Membership	Total	
Mr. M D Jindal	Promoter Director	Chairman	3	1	2	3	
Dr. Sanjivv Jindall	Promoter Director	Managing Director	4	--	1	1	
Mr. R L Gaggarr	Independent/ Non-executive Director	Director	11	--	9	9	
Mr. Masayuki Kamiya	Non-executive Director-Nominee of Suzuki Corporation, Japan	Director	--	--	--	--	
Mr. A K Tomer	Non-Executive Director-Nominee of Maruti Suzuki India Limited	Director	--	--	--	--	
Mr. R. Krishnan	Independent/ Non-executive Director	Director	1	--	1	1	
Mr. G C Dwivedi	Independent/ Non-executive Director	Director	--	--	--	--	
Mr. S. Balasubramanian	Independent/Non-executive Director	Director	4	--	2	2	



- None of the Directors are related to each other except Dr. Sanjiiv Jindal, who is son of Mr. M D Jindal.
- “Independent Directors” means a director who, apart from receiving Director’s remuneration, does not have any other material pecuniary relationship with the company, its promoters, its management or its subsidiaries, which in the opinion of the Board may affect the independence of judgement of Directors.
- None of the Directors is a member of more than ten Board levels committees, or a Chairman of more than five such committees as required under clause 49 of the Listing Agreement.

(II) BOARD MEETINGS, ITS COMMITTEE MEETINGS AND PROCEDURES

A. Institutionalized decision making process

The annual calendar of Board Meetings is agreed upon at the beginning of the year.

The Agenda is circulated well in advance to the Board members. The items in agenda are backed by comprehensive background information to enable the Board to take appropriate decisions. In addition to the information required under Annexure IA to Clause 49 of the Listing Agreement, the board is also kept informed of major events/items and approvals taken wherever necessary. The Managing Director at the Board Meetings keeps the Board apprise of the overall performance of the Company.

The Board of Director is an apex body constituted by the shareholders entrusted with the overall management of the company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interest of the shareholders is being served. The managing director is assisted by senior managerial personnel.

The following sub-sections deal with the practice of these guidelines at Machino Plastics Limited.

B. Scheduling and selection of Agenda items for Board Meetings

- (i) Minimum four Board Meetings are held every year. Apart from the above, additional Board Meetings are convened by giving appropriate notice to address the specific needs of the company. In case of business exigencies or urgency of matters, resolutions are passed by circulation.
- (ii) The meetings are usually held at the Company’s Registered Office at Plot No. 3, Maruti Joint Venture Complex, Udyog Vihar Phase-IV, Gurgaon (Haryana)-122015.
- (iii) All divisions/departments of the company are advised to schedule their work plan well in advance, particularly with regard to matters requiring discussion / approval / decision of the Board / Committee Meetings. All such matters are communicated to the Company Secretary in advance so that the same could be included in the Agenda for the Board / Committee Meetings.

Information required to be placed before the Board:

The board has unfettered and complete access to any information within the company. Among others, the board information regularly supplied to the board includes:

- Annual operating plans and budgets and any updates.
- Capital budget of any updates.
- Quarterly audited results of the company.
- Minutes of meetings of board, audit committee and other committees of board.
- Information on recruitment and removal of senior officers just below the board level.
- Declaration of dividend.
- Materially important litigation, show cause, demand, prosecution notices and penalty notices.
- Fatal or serious accidents or dangerous occurrences, any material effluent or pollution problems.

MACHINO PLASTICS LIMITED

- Any material default in financial obligations to and by the company or substantial non-payment for goods sold by the company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which may have passed strictures on the conduct of the company or taken an adverse view regarding another enterprise that can have negative implications on the company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in Human Resources/Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- Significant sale of investments, subsidiaries, assets which are not in the normal course of business.
- Quarterly details of foreign exchange exposure and the steps taken by management to limit the risks of adverse exchange rate movements.
- Non-compliance of any regulatory, statutory nature or listing requirements as well as shareholder services such as non-payment of dividend and delay in share transfer.
- Risk assessment & minimization procedures.

C. Board material distributed in advance

Agenda and notes on agenda are circulated to the Directors, in advance. Where it is not practicable to attach any document to the agenda, the same is tabled before the meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted.

D. Recording Minutes of Proceedings at Board and Committee meetings

The Company Secretary records the minutes of the proceedings of each Board and Committee meetings. Draft minutes are circulated to all the members of the Board/ committee for their comments.

E. Post Meeting Follow-up Mechanism

The guidelines for Board and Committee meetings facilitate an effective post meeting follow-up, review and reporting process for the decisions taken by the Board and Committees thereof. The important decisions taken at the Board/Committee meetings are communicated to the departments/divisions concerned promptly. Action taken report on the decisions/minutes of the previous meeting(s) is placed at the immediately succeeding meeting of the Board/Committee for noting by the Board/Committee.

- F. The Company Secretary while preparing the agenda, notes on agenda, minutes etc. of the meeting(s), is responsible for and is required to ensure compliance with all the applicable laws and regulations including the Companies Act, 1956 read with the Rules issued there under.

(III) Number of Board Meetings

During the last financial year, five board meetings were held during the year. The company has held at least one board meeting in every three months and the maximum time gap between any such two meetings was not more than four months. The details of the Board meetings are as under:-

S. No.	Date	Board strength	No. of Directors present
1.	01.05.2012	8	5
2.	11.06.2012	8	5
3.	09.08.2012	8	5
4.	17.11.2012	8	6
5.	06.02.2013	8	6



Directors' attendance record

Name	Position	Attendance at Board Meeting		Attendance at Last AGM
		No. of meetings held	No. of meetings attended	
Mr. M D Jindal	Promoter/ Chairman	5	4	NO
Dr. Sanjiiv Jindall	Promoter/Managing Director	5	5	YES
Mr. R L Gaggar	Independent/Non-executive Director	5	3	NO
Mr. Masayuki Kamiya	Non-executive Director/nominee of Suzuki Motors Corporation	5	0	NO
Mr. A K Tomer	Non-executive Director/nominee of Maruti Suzuki India Ltd.	5	4	NO
Mr. G C Dwivedi	Independent/Non-executive Director	5	5	YES
Mr. R Krishnan	Independent / Non-executive Director	5	4	YES
Mr. S. Balasubramanian	Independent/Non-executive Director	5	2	NO

Directors' Interest in the Company

Director	Relationship with other directors	Business relationship with the company, if any	Loans and advances received from the company	Remuneration paid during 2012-13 (all figures in Rupees)			
				Sitting Fees	Salary & Perks	Commission	Total
Mr. M D Jindal	Father of Dr. Sanjiiv Jindall	#	--	70,000	--	--	70,000
Dr. Sanjiiv Jindall	Son of Mr. M D Jindal	##	--	--	66,91,200	--	66,91,200
Mr. R L Gaggar	--	--	--	49,000	--	--	49,000
Mr. R. Krishnan	--	--	--	91,000	--	--	91,000
Mr. A K Tomer	--	Representative of Maruti Suzuki India Ltd.	--	--	--	--	--
Mr. Masayuki Kamiya	--	Representative of Suzuki Motors Corporation	--	--	--	--	--
Mr. G C Dwivedi	--	--	--	98,000	--	--	98,000
Mr. S. Balasubramanian	--	--	--	14,000	--	--	14,000

Chairman & Managing Director and a shareholder in Machino Polymers Ltd (formally known as Machino Basell India Limited), key raw material supplier of the company.

Lease of house/ office property i.e. A-10, New Friends Colony, New Delhi by Mrs. Kamla Jindal, his wife @ Rs. 27,500/- p.m.

MACHINO PLASTICS LIMITED

Mrs. Sarita Jindal, daughter-in-law employed in the company on a monthly remuneration of Rs. 49,500/-

Mr. Aditya Jindal, grandson employed in the company on a monthly remuneration of Rs. 2,00,000/-

Ms. Simta Jindal, grand-daughter employed in the company on a monthly remuneration of Rs 49,000/-

Director and shareholder in Machino Polymers Ltd (formally known as Machino Basell India Ltd), key raw material supplier of the company. Director and shareholder in Grandmaastters Mold Ltd. a spare part/moulds suppliers of the company.

Lease of house/office property i.e. A-10, New friends colony, New Delhi by Mrs. Kamla Jindal, his mother @ Rs. 27,500/-p.m.

Mrs. Sarita Jindal, wife employed in the company on a monthly remuneration of Rs. 49,500/-

Mr. Aditya Jindal, son employed in the company on a monthly remuneration of Rs. 2,00,000/-

Ms. Simta Jindal, daughter employed in the company on a monthly remuneration of Rs. 49,000/-

*Last Annual General Meeting (AGM) was held on 9th August, 2012 at the GIA House, Gurgaon.

Details of Related Party transaction are as follows:

Name of Related Party	Nature of Transaction	Current Year (Rs.)	Previous Year (Rs)
Receipts			
Maruti Suzuki India Limited	Sale of Goods / Moulds	1,415,711,265	1,22,46,26,182
Machino Polymers Limited	Car loan	216,763	5,22,432
Grandmaastters Mold Limited	Sale of Goods	2,949,611	39,13,193
Grandmaastters Mold Limited	Excise	1,838,435	NIL
Grandmaastters Mold Limited	TDS	181,801	NIL
Machino Polymers Limited	Cash Discount	5,065,265	37,71,824
Payments			
Machino Polymers Limited	Purchase of raw materials	275,500,757	307,662,737
Machino Polymers Limited	TDS	1,023,680	NIL
Grandmaastters Mold Limited	Purchase of moulds & Conversion charges	16,961,498	23,804,691
Mrs. Kamla Jindal	Rent	3,30,000	3,30,000
Mr. M.D. Jindal	Sitting fees	70,000	91,000
Dr. Sanjiivv Jindall	Remuneration	66,91,200	66,91,200
Mrs. Sarita Jindal	Salary	588,204	588,204
Mr. Aditya Jindal	Salary	2,400,000	826,524
Ms. Simta Jindal	Salary	588,000	588,000
Outstanding balance as on 31st March,13			
Grandmaastters Mold Limited	(Payable)/ Receivable	3,856,339	1,807,335
Maruti Suzuki India Limited	Receivable	49,298,133	59,417,449
Machino Polymers Limited	(Payable)/ Receivable	(4,250,495)	(3,092,067)



(IV) BOARD COMMITTEES

Committees appointed by the Board focus on specific areas, and take decisions within the authority delegated to them by the Board. The committees also make specific recommendations to the Board on various matters from time to time. All decisions and recommendations of the committees are placed before the board for information or approval. Company has five committees:

- Audit committee
- Shareholders, Grievances Committee.
- Share Transfer Committee
- Business Strategy Committee
- Remuneration Committee

A. Audit Committee

The Audit Committee was constituted in conformity with the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with Stock Exchanges. The committee comprises of four directors including one promoter and three independent directors. The composition of committee is as under:

Director	Executive/Non-executive/ Independent	Position	Remarks
Mr. R L Gaggar	Independent	Chairman	--
Mr. M D Jindal	Promoter	Member	--
Mr. R Krishnan	Independent	Member	--
Mr. G C Dwivedi	Independent	Member	--

The Audit committee assists the board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the company and its compliance with the legal and regulatory requirements. The committee's purpose is to oversee the accounting and financial reporting process of the company, the audit of the company's financial statements, the appointment, independence and performance of internal auditors and the company's risk management policies.

Terms of reference of the Audit Committee inter alia includes:

(i) Review of the following information:

- Any change in Accounting policies and practices;
- Major accounting entries involving estimates based on exercise of judgement by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Going concern assumption;
- Compliance with the listing and other legal requirements concerning financial statements;
- Reviewing with the management performance of statutory auditors
- To look into the reasons for substantial defaults in the payment to the shareholders (in case of payment of declared dividends) and creditors;
- The functioning of whistle blowing mechanism;
- reviewing the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

MACHINO PLASTICS LIMITED

- j) Management discussion and analysis of financial results of operations;
- k) Discussion with internal auditors, any significant findings and follow up there on;
- l) Management letters/letters of internal control weakness issued by the statutory auditors.

(ii) Disclosure of the following information:

- a) Related party transaction:
 - Identification of related parties as per AS-18
 - Statement in summary form of transactions with related parties in the ordinary course of business
 - Statement of material individual transactions with related parties which are not on arm's length basis.
- b) Compliances with Accounting Standards, and if in preparation of financial statements, a treatment different from that prescribed in an accounting standard has been followed, management explanation for the same;
- c) Audit query/report for the quarter;
- d) Quarterly financial statements before submission to the board for approval.

(iii) Meetings:

The audit committee met 4 times in the year. The details of the attendance of members of the committee are as follows:

Meeting held on	Chairman present	No. of members present
11.06.2012	No	3
09.08.2012	No	2
17.11.2012	Yes	4
06.02.2013	Yes	4

Executives of Accounts, Finance, Secretarial and Management Departments and representatives of the Statutory and Internal Auditors were invited to attend the Audit Committees. The Chairman of the Audit Committee was not present at the last Annual General Meeting.

Attendance of each Member at the Audit Committee meetings held during the year:

Name of the Committee Member	No. of meetings held	No. of meetings attended	Remarks
Mr. R L Gaggar	4	2	--
Mr. M D Jindal	4	3	--
Mr. R Krishnan	4	4	--
Mr. G C Dwivedi	4	4	--

B. SHAREHOLDER'S GRIEVANCE COMMITTEE

(i) Composition:

Director	Executive/Non Executive/ Independent	Position	Remarks
Mr. R L Gaggar	Independent	Chairman	--
Mr. M D Jindal	Executive	Member	--
Mr. R Krishnan	Independent	Member	--
Mr. G C Dwivedi	Independent	Member	--



(ii) Terms of reference:

The committee, inter alia, approves issue of duplicate share certificates and oversees and reviews all matters connected with transfer of securities of the Company. The committee also looks into redressal of shareholders complaints related to transfer of shares, non-receipt of Annual report, non-receipt of declared dividend etc. The committee oversees performance of the Registrar and Transfer Agents of the company, and recommend measures for overall improvement in the quality of investor services. The committee also monitors implementation and compliance of the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulation, 1992. The board has delegated the power for approving transfer of securities to the Managing Director or the Company Secretary. To expedite the process of Share Transfers, the Board has delegated the power of share transfer to Alankit Assignments Limited viz. Registrar and Share Transfer Agent who will attend to the Share Transfer formalities once in fortnight.

Meetings:

The Shareholder's Grievances Committee met four times in last year. The details of the attendance of members of the committee are follows:

Meeting held on	Chairman Present	No. of Members Present
11.06.2012	No	3
09.08.2012	No	2
17.11.2012	Yes	4
06.02.2013	Yes	4

Attendance of each Member at the SGC meetings held during the year:

Name of the Committee Member	No. of Meetings held	No. of meetings attended
Mr. R L Gagar	4	2
Mr. M D Jindal	4	3
Mr. R Krishnan	4	4
Mr. G C Dwivedi	4	4

Compliance Officer:

The compliance officer for this committee, at present, is Mr. Surya Kant Agrawal, Company Secretary.

C. BUSINESS STRATEGY COMMITTEE MEETING

(i) Composition:

Director/ Representative	Executive/Non Executive/ Independent	Position	Remarks
Mr. G C Dwivedi	Independent	Chairman	--
Mr. R. Krishnan	Independent	Member	--
Mr. Deepak Thukral	Independent Professional	Member	Not being member of the board

(ii) Terms of reference

The Business Strategy Meeting looks after the budget approval and strategic planning for the company.

MACHINO PLASTICS LIMITED

Meetings:

The Business Strategy Committee met once in last year. The details of the attendance of members of the committee are follows:

Meeting held on	Chairman Present	No. of Members Present
24.12.2012	Yes	3

(iii) Attendance of each Member at the Business Strategy Committee meeting held during the year:

Name of the Committee Member	No. of Meetings held	No. of meetings attended
Mr. G C Dwivedi	1	1
Mr. R. Krishnan	1	1
Mr. Deepak Thukral	1	1

D. REMUNERATION COMMITTEE

Composition:

Director/ Representative	Executive/Non Executive/ Independent	Position	Remarks
Mr. G C Dwivedi	Independent	Chairman	--
Mr. R. Krishnan	Independent	Member	--
Mr. A.K Tomer	Non Executive/Nominee	Member	Representative of Maruti Suzuki India Ltd.

(i) Terms of reference

The Remuneration Committee of the Company is to review the remuneration and terms of employment of Whole time Director and their relatives.

(ii) Remuneration Policy

The Company pays remuneration by way of salary, allowances and perquisites to the Managing Director as approved by the Board of Directors and shareholders of the Company. Each Non-Executive Director is paid a sitting fee of Rs. 7,000/- per meeting of the Board/Committee.

Meetings:

The Remuneration Committee was formed by Board of Directors in its meeting held on 17th Nov, 2012. The committee has not met during the year 2012-13.

E. ANNUAL GENERAL MEETINGS

Details of last 3 Annual General Meetings

Year	Location	Date	Time	Whether Special resolution passed
2011-12	GIA House, IDC, Mehrauli Road, Gurgaon	09.08.2012	11.00 a.m.	No
2010-11	GIA House, IDC, Mehrauli Road, Gurgaon	29.07.2011	10:30 a.m.	Yes
2009-10	GIA House, IDC, Mehrauli Road, Gurgaon	16.07.2010	11.00 a.m.	Yes

Note: No postal ballots were used / invited for voting at these meetings.



F. DISCLOSURES

The disclosures on material transactions with the promoters, directors or the management, their subsidiaries and relatives etc. is made in Directors' Interest Statement.

G. MEANS OF COMMUNICATION

The quarterly & half yearly results are not being sent separately to each household of shareholders. All financial results of your company are forthwith communicated to the Stock Exchange, namely Bombay Stock Exchange, where the securities of the company are listed as soon as they are approved and taken on record by the Board of Directors of the Company. Further the results are usually published in Business Standard (English) and Parivartan Bharti (Hindi) or Financial Express(English) and Jansatta (Hindi).

These results as well as latest information and official news have also been posted on the company's website, i.e. **www.machino.com**.

Financial results and shareholding pattern of the company are also available on **www.bseindia.com**.

H. GENERAL SHAREHOLDERS' INFORMATION

- ✓ **Date of book closure/record date** : 13th Aug, 2013
- ✓ **Date and venue of AGM**
 - Date : 13th Aug, 2013
 - Day : Tuesday
 - Time : 12.00 p.m.
 - Venue of AGM : GIA House, IDC, Mehrauli Road, Gurgaon (Haryana)
- ✓ **Dividend recommended** : NIL
- ✓ **Financial Calendar (tentative and subject to change)**
 - Financial reporting for the first quarter ending June 30, 2013 : Aug, 2013
 - Financial reporting for the second quarter ending Sept 30, 2013 : Nov, 2013
 - Financial reporting for the third quarter ending Dec 31, 2013 : Feb, 2014
 - Annual results for the year ending Mar 31, 2014 : May, 2014
 - Annual General Meeting for the year ending Mar 31, 2014 : Aug, 2014
- ✓ **Listing on Stock Exchange**

The shares of your company are listed on the following Stock Exchange:

The Stock Exchange, Mumbai
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400 001
- ✓ **Stock Codes**
 - The Stock Exchange, Mumbai : 523248
 - ISIN No. for NSDL and CDSL : INE082B01018

The listing fees for the financial year 2013-14 have been paid to the Stock Exchange, Mumbai.

MACHINO PLASTICS LIMITED

✓ Stock market data*

The monthly high and low prices and volume of the equity shares of the company during the financial year 2012-13 based upon BSE price data is given below:

Month	Share Price		No. of Shares	Total turnover (Rs.)	BSE Sensex	
	High	Low			High	Low
Apr 12	45.40	41.00	13,891	5,93,838	17,664.10	17,010.16
May12	43.50	39.25	12,183	5,08,757	17,432.33	15,809.71
June12	44.00	39.10	14,726	6,04,921	17,448.48	15,748.98
Jul 12	47.85	40.15	6,750	2,90,679	17,631.19	16,598.48
Aug12	46.00	38.40	8,018	3,24,09	17,972.54	17,026.97
Sep 12	42.50	36.35	5,688	2,21,262	18,869.94	17,250.80
Oct 12	43.00	38.50	16,560	6,66,074	19,137.29	18,393.42
Nov12	40.40	37.00	10,499	4,05,830	19,372.70	18,255.69
Dec 12	40.00	36.05	7,332	2,78,731	19,612.18	19,149.03
Jan 13	40.60	34.90	15,991	6,14,993	20,203.66	19,508.93
Feb 13	36.50	30.50	6,077	2,06,862	19,966.69	18,793.97
Mar 13	34.80	28.45	3,451	1,06,128	19,754.66	18,568.43

*bseindia.com

✓ Share transfer procedure

Share transfer requests (pertains to shares in physical mode) received by the Company or its Registrar & Share Transfer Agent are registered within a period of 15 days from date of receipt, if the documents are in order in all respect. The Share Transfer Committee meets normally twice a month.

In case the shares are transferred through Demat mode, the procedure is adopted as stated in Depositories Act, 1996.

✓ Distribution of shareholding as on 31st March, 2013

No. of equity shares held	Number of Shareholders		Shareholding	
	Numbers	%	Numbers	%
1-100	1531	39.963	92021	1.499
101-500	1981	51.71	494592	8.059
501-1000	187	4.881	141204	2.301
1001-5000	102	2.662	209448	3.413
5001-10000	9	0.235	57388	0.935
10001-20000	9	0.235	133159	2.17
20001-30000	2	0.052	54100	0.882
30001-40000	0	0	0	0
40001-50000	1	.026	47000	.766
50001-100000	1	.026	94753	1.544
100001-500000	4	0.104	953741	15.541
500001-above	4	0.104	3859394	62.889



Pattern of shareholding by ownership as on 31st March, 2013

Category	Shareholding	
	Number of Shares held	Shareholding %
Promoters' Holding		
Promoters		
– Indian Promoters	3,601,306	58.68
– Foreign Promotes	941,700	15.35
Persons acting in concert	–	–
Sub-Total (A)	4,543,006	74.03
Non-promoters Holding		
Institutional Investors	–	–
Mutual Funds and UTI, Banks,	1,500	0.02
Financial Institution	–	–
(Central/State Govt. Institutions/non- government institutions)	–	–
FII's	–	–
Sub Total (B)	1,500	0.02
Others	–	–
Corporate Bodies	74,242	1.21
Indian Public (including NSDL & CDSL)	1,509,511	24.60
NRIs/OCBS	8,541	0.14
Sub-Total (C)	1,592,294	25.95
Grand Total (A+B+C)	6,136,800	100.00

✓ As at 31.03.2013:

Shares held in Physical form : 295633 shares
 Shares held in Dematerialized form : 5841167 shares

✓ Shareholding of Promoters/Directors, their relatives, associate companies & officers of the Company pursuant to SEBI Regularization:

Name	Relation	No. of Shares	% to total
Maruti Suzuki India Limited	Promoter	941700	15.35%
Suzuki Motor Corporation	Promoter	941700	15.35%
Jindals, Relatives & Associate Companies	Promoter	2659606	43.33%

✓ Outstanding GDR/ADR/Warrants or any convertible instrument

No outstanding GDR/ADR/Warrants or any convertible instrument as on 31.03.2013.

Plant Location

Machino Plastics Limited (Plant I)
 3, Maruti Joint Venture Complex,
 Udyog Vihar Phase-IV, Gurgaon-122015
 Tel: 0124-2341218, 2340806 Fax: 0124-2340692

Machino Plastics Limited (Plant II)
 Plot No.128-129, Sector-8
 IMT, Manesar-122050

Machino Plastics Limited (Plant III)
 Plot No. 527, Industrial Area
 Sec-3, Pithampur dist. Dhar
 Indore-454774
 Madhya Pradesh
 (Under Construction)

MACHINO PLASTICS LIMITED

✓ **Share Transfer Agent**

"Alankit Assignments Limited"
RTA Division-Machino Plastics Limited
2E/21, Jhandewalan Extn.
New Delhi-110 055
Ph. No. 011-42541234
alankit@alankit.com

✓ **Investors' correspondence may be addressed to:**

Company Secretary
Machino Plastics Limited
3, Maruti Joint Venture Complex,
Udyog Vihar Phase-IV, Gurgaon-122015
Tel: 0124-2341218, 2340806 Fax: 0124-2340692
Email: **sec.legal@machino.com**

Or

✓ **"Alankit Assignments Limited"**
RTA Division-Machino Plastics Ltd.
2E/21, Jhandewalan Extn.
New Delhi-110 055
Ph. No. 011-42541234
Email: **alankit@alankit.com**

✓ **Unclaimed Dividends**

Pursuant to section 205A of the Companies Act, 1956, unclaimed dividends upto the financial year 2004-05 have been transferred to the General Revenue Account of the Central Government.

The unclaimed dividends for the financial year ended 31st March, 2006 & thereafter, which remains unpaid/unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund established by Central Government. Shareholders, who have not claimed/received their dividend so far, are requested to make an application to company so that necessary action could be taken in this respect. It is important to note that **once the unclaimed dividend is transferred to the aforesaid fund, no claim shall lie in respect thereof on the company. Then the shareholders have to claim dividend from the Central Government.**

Some dividend cheques are unrealized as per company's record for the year 2005-06 to 2010-11. Those shareholders who have not yet realized the dividend for any or all of the previous years may write to the company.

✓ **Other Information**

1. Any change in address or mandate should be intimated to company or its transfer agent at the earliest for prompt services.
2. While corresponding with the Company or its Registrar & Transfer Agent, members are advised to quote their Folio No. and No. of shares held. Any such correspondence should be signed by the member(s) or their duly authorized power of attorney. Company shall not entertain any letter, which is not duly signed as an endeavor to protect the interest of members and to avoid any possible fraud.
3. Members holding shares in identical orders of names in more than one folio are requested to write to the Company or Alankit Assignments Limited and send their share certificates to enable consolidation of their holding into one folio.

Note: the details are given purely by way of information. Members may make their own judgement and are further advised to seek independent guidance before deciding on any matter based on the information given therein. Neither the company nor its officials would be held responsible.



CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

ANNUAL DECLARATION (in pursuance of Clause 49(1D) of the Listing Agreement)

This is to certify that to the best of my knowledge and belief and based upon declarations made by the members of the Board of Directors and senior management officers, provisions of the **CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL**, as adopted by the company in compliance of clause 49 (1D) of the Listing Agreement are fully followed and complied with during the financial year ending 31st March, 2013.

For **Machino Plastics Ltd.**

Sd/-

Place : Gurgaon

Date : 3rd June, 2013

Sanjiivv Jindall

Managing Director

CEO Certification

I, Sanjiivv Jindall, Managing Director of Machino Plastics Limited to the best of my knowledge and belief hereby certify that :

- (a) I have reviewed financial statements and the cash flow statement for the financial year ended on 31st March, 2013 and :
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of my knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the auditors and the Audit committee:
 - (i) Significant changes in internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Machino Plastics Ltd.**

Sd/-

Sanjiivv Jindall
Managing Director

Place : Gurgaon

Date : 3rd June, 2013



Certificate

To
The Members of
Machino Plastics Limited

We have examined the compliance of conditions of Corporate Governance by **Machino Plastics Limited** ("the Company"), for the year ended 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange(s) in India.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the Clause 49 of the Listing Agreements.

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

For **Deepti Lohiya & Company**
Company Secretaries

Sd/-

Deepti Lohiya

Membership No. 25220

C.P. No. 9206

Place : New Delhi

Date : 3rd June, 2013

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MACHINO PLASTICS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **MACHINO PLASTICS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

Managerial remuneration paid during the year ended 31march, 2013 to the Managing Director & Whole time Director exceeds the limit prescribed by the section 198 and 309 of companies act, 1956 by an amount of Rs.1800000. The company is in the process of filing an application with the central government seeking approval for the excess remuneration paid as above. Pending approval of central government, we are unable to comment on the impact of this excess payment on the Loss for the year ended 31 march, 2013 & corresponding impact on reserve & surplus as at 31 march, 2013.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matter described in the Basis for Qualified Opinion paragraph*, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:



- (b) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Emphasis of Matter

We draw users' attention to note no. 30 to financial statement, where in The Hon'ble High Court of Punjab and Haryana has awarded enhanced compensation to land looser in respect of land acquired by HSIIDC, A Government Agency, from whom the company has purchased on 16th March 2005, four acres of land for its factory at Manesar. In turn HSIIDC has demanded a sum of Rs. 42,320,250 in respect of land allotted to the company. IMT Manesar Association has filed petition in the Hon'ble High Court of Punjab and Haryana challenging the demand on behalf of industries at Manesar. The Hon'ble High Court has directed allottees, in the hearing dated 30th April 2013 to deposit 40% of demanded amount, pending final judgement. The company has not yet paid any amount. However in case, the said enhancement is paid the same will form of cost of free hold land at Manesar. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion proper books of account, as required by law, have been kept by the Company, so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the accounting standards referred to in Section 211(3C) of the Companies Act, 1956.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2013 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.
 - (f) Since the Central Government has neither issued any notification as to the rate at which the cess is to be paid under Section 441A of the Act nor has it issued any Rules under the said Section prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For **Goel Garg & Co.**
Chartered Accountants
FRN 000397N

Sd/-
(J.L. Garg)
Partner

Place : Gurgaon
Dated : 3rd June, 2013

Membership No.005406

MACHINO PLASTICS LIMITED

Annexure to the Auditors' Report to the members of Machino Plastics Limited on the financial statements for the year ended 31st March, 2013 referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements of our report

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, the fixed assets were physically verified during the year by the management in accordance with the programme of verification, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. To the best of our knowledge, no material discrepancies were noticed on verification conducted during the year as compared with the book records. (Refer note 31 of notes to financial statements)
- (c) In our opinion and according to the information and explanations given to us, a substantial part of the fixed assets has not been disposed off by the company during the year.
- (ii) (a) The inventory, except goods-in-transit and stock lying with third parties, has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. For stock lying with third parties at the year end, written confirmations have been obtained.
- (b) In our opinion and according to information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) On the basis of our examination of the records of inventories, we are of the opinion that, the company is maintaining proper records of inventories. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- (iii) (a) According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured to companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, sub-clause (b),(c) and (d) are not applicable.
- (b) According to the information and explanations given to us, the Company has not taken any loan, secured or unsecured from companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, sub-clause (f) and (g) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchases of inventory, fixed assets and for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system in respect of these areas.
- (v) (a) According to the information and explanations given to us, we are of the opinion that during the year, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to maintained under that section 301 of the Act.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements entered into the register in pursuance of section 301 of the Act and exceeding the value of rupees five lacs in respect of any party during the year, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.



- (vi) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 58A and 58AA or any other relevant provisions of the Act and the rules framed there under.
- (vii) In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
- (viii) We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (ix)
 - (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities.
 - (b) According to the information and explanations given to us and the records of the company examined by us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income tax, wealth tax, service tax, sales tax, customs duty, excise duty and cess were in arrears, as at March 31st, 2013 for period of more than six months from the date they became payable.
 - (c) According to the information and explanations given to us, particulars of dues of Income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess as at March 31st 2013 which have not been deposited on account of a dispute have been stated in note 35 of notes to financial statements.
- (x) The company does not have any accumulated losses at the year end i.e. March 31st, 2013. Further, the company has not incurred any cash losses in the financial year ended on that date and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to any bank. The company has not raised any loan from financial institution, debenture holders.
- (xii) According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) As the company is not a chit fund or a nidhi / mutual benefit fund / society to which the provisions of special statute relating to chit fund are applicable, therefore clause 4(xiii) of the Order is not applicable.
- (xiv) As the company is not dealing or trading in shares, securities, debentures and other investments, paragraph 4 (xiv) of the Order is not applicable.
- (xv) We are informed that during the year, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) According to the information and explanations given to us, term loans availed by the company were, prima facie, applied for the purpose for which they were raised.

MACHINO PLASTICS LIMITED

- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that during the year no funds raised on short-term basis have been used for long-term investments.
- (xviii) According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered under section 301 of the Act during the year.
- (xix) The company has not issued any debentures during the year.
- (xx) The company has not raised any money by public issue during the year.
- (xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the year.

For **Goel Garg & Co.**
Chartered Accountants
FRN 000397N

Sd/-
(J. L. Garg)
Partner

Place : Gurgaon
Dated : 03rd June, 2013

Membership No. 005406



Balance Sheet as at 31st March 2013

(All Amount in Rupees, Unless otherwise stated)

	Notes	As at 31 March 2013	As at 31 March, 2012
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	1	61,368,000	61,368,000
Reserves and surplus	2	522,544,619	535,818,507
		583,912,619	597,186,507
Non-current liabilities			
Long-term borrowings	3	245,749,217	334,601,127
Deferred tax liabilities, net	4	66,648,501	62,508,230
Long-term provisions	5	334,025	397,758
		312,731,743	397,507,115
Current liabilities			
Short-term borrowings	6	188,174,670	163,453,601
Trade payables	7	9,893,742	32,923,389
Other current liabilities	8	183,895,864	112,275,877
Short-term provisions	5	12,388	24,297
		381,976,664	308,677,164
Total		1,278,621,026	1,303,370,786
Assets			
Non-current assets			
Fixed assets			
Tangible assets	9	936,337,438	1,009,000,544
Intangible assets	9	1,308,247	1,730,141
Capital work-in-progress	9	59,738,532	15,423,062
Long-term loans and advances	10	2,828,296	2,828,296
Other Non-current assets	11	12,500,000	12,500,000
		1,012,712,513	1,041,482,043
Current assets			
Inventories	12	63,989,892	59,099,212
Trade receivables	13	124,954,883	120,590,207
Cash and cash equivalents	14	29,447,974	17,079,818
Short-term loans and advances	15	47,515,764	65,119,506
		265,908,513	261,888,743
Total		1,278,621,026	1,303,370,786

Significant accounting policies

Notes on financial statements

1 to 42

As per our report attached

For **Goel Garg & Co.**
Chartered Accountants
FRN NO. 000397N

For and on behalf of Board of Directors of Machino Plastics Limited

Sd/-
J. L. Garg
Partner
M.NO. 005406

Sd/-
Sanjiivv Jindall
Managing Director

Sd/-
G. C. Dwivedi
Director

Sd/-
Surya Kant Agrawal
General Manager (F)
Company Secretary

Place : Gurgaon
Dated : 3rd June, 2013

Profit & Loss Statement for the year ended 31st March 2013

(All Amount in Rupees, Unless otherwise stated)

	Notes	For the year ended March 31, 2013	For the year ended March 31, 2012
INCOME			
Revenue from operations	16		
Sale of products (gross)		1,963,516,766	1,711,870,662
Less : Excise duty		<u>269,124,591</u>	<u>190,439,073</u>
Sale of products (net)		1,694,392,175	1,521,431,589
Other operating revenues		<u>1,657,144</u>	<u>2,073,553</u>
Total		1,696,049,319	1,523,505,142
Other Income	17	<u>7,616,765</u>	<u>22,047,940</u>
Total Revenue		<u>1,703,666,084</u>	<u>1,545,553,082</u>
Expenses			
Cost of material consumed	18	1,106,943,984	1,013,789,273
Changes in inventories of finished goods,			
WIP and stock-in-trade	19	(9,374,131)	1,727,198
Operating expenses	20	159,187,339	144,721,849
Employees benefits expenses	21	131,022,817	115,551,691
Finance cost	22	46,530,861	48,002,182
Depreciation and amortisation expenses	23	131,105,660	117,950,664
Other expenses	24	<u>147,383,171</u>	<u>108,511,840</u>
Total expenses		<u>1,712,799,701</u>	<u>1,550,254,697</u>
Profit / (Loss) before tax		(9,133,617)	(4,701,615)
Tax expense :			
- Current tax		-	-
- Earlier year tax		-	-
Deferred tax (refer note no.4)		<u>4,140,271</u>	<u>5,310,542</u>
		<u>4,140,271</u>	<u>5,310,542</u>
Profit / (Loss) for the period		<u>(13,273,888)</u>	<u>(10,012,157)</u>

Significant accounting policiesNotes on financial statements **1 to 42**

Earnings per equity share [nominal value of share Rs 10 each (previous year: Rs 10 each)]

- Basic	(2.16)	(1.63)
- Diluted	(2.16)	(1.63)

As per our report attached

For **Goel Garg & Co.**
Chartered Accountants
FRN NO. 000397N

For and on behalf of Board of Directors of Machino Plastics Limited

Sd/-
J. L. Garg
Partner
M.NO. 005406

Sd/-
Sanjiivv Jindall
Managing Director

Sd/-
G. C. Dwivedi
Director

Sd/-
Surya Kant Agrawal
General Manager (F)
Company Secretary

Place : Gurgaon
Dated : 3rd June, 2013



Cash Flow Statement for the year ended 31st March 2013

(All Amount in Rupees, Unless otherwise stated)

	For the year ended March 31, 2013	For the year ended March 31, 2012
A. Cash flow from operating activities		
Profit before tax	(9,133,617)	(4,701,615)
Adjustment for:		
- Depreciation	131,105,660	117,950,664
- Interest and finance charges (excluding foreign exchange loss/gain on buyer's credit)	46,530,861	48,002,182
- Loss on fixed assets sold/discarded	6,948,056	237,862
- Profit on sale of fixed assets	(44,199)	(13,143,416)
- Interest income on fixed deposits	(976,405)	(4,668,248)
Operating Profit before working capital changes	174,430,356	143,677,429
Adjustment for:		
- (Increase)/decrease in inventories	(4,890,680)	12,872,920
- (Increase)/decrease in trade receivables	(4,364,677)	(7,533,186)
- (Increase)/decrease in loans and advances (excluding advance tax)	20,319,897	8,500,195
- Increase/(decrease) in current liabilities and provisions (excluding provision for tax)	48,514,699	(75,858,804)
Cash generated from operations	234,009,595	81,658,554
Income tax refund/ (paid)	(2,716,155)	(4,287,291)
Net cash flow generated from operating activities	231,293,440	77,371,263
B. Cash flow from investing activities		
- Additions to fixed assets (including net movement in CWIP)	(103,162,074)	(175,534,472)
- Proceeds from sale/ disposal of fixed assets	825,944	16,117,338
- Interest received	976,405	4,668,248
- Loss on sale of fixed assets	(6,948,056)	(237,862)
- Profit on sale of fixed assets	44,199	13,143,416
Net cash flows (used in) investing activities	(108,263,582)	(141,843,332)
C. Cash flow from financing activities		
- Proceeds from/ (Repayments of) long term borrowings	(88,851,910)	46,217,403
- (Repayments of)/ Proceeds from secured loan (net)	24,721,069	-
- Proceeds from Long term borrowings	-	(11,130,585)
- Interest and finance charges paid (including forex loss)	(46,530,861)	(48,002,182)
- Dividend Paid	-	(17,630,267)
- Dividend Distribution Tax (Paid)	-	-
Net cash flows (used in)/ generated from financing activities	(110,661,702)	(30,545,631)
Net increase in cash and cash equivalents	12,368,156	(95,017,700)
Cash and cash equivalents- opening balance	17,079,818	112,097,518
Cash and cash equivalents- closing balance	29,447,974	17,079,818
Cash and cash equivalents	29,447,974	17,079,818
Notes to cash flow statement:		
1 Cash and cash equivalents include :		
Cash on hand	259,018	273,265
Balances with banks:		
Current accounts	15,946,369	5,011,501
Other bank balances:		
Earmarked balances	1,704,768	1,936,915
Fixed deposits held as margin money	11,468,386	9,788,704
Others bank balances	69,433	69,433
Cash and cash equivalents at the end of the year [Refer note 14]	29,447,974	17,079,818
Significant accounting policies		
Notes on financial statements	1 to 42	

As per our report attached

For **Goel Garg & Co.**
Chartered Accountants
FRN NO. 000397N

For and on behalf of Board of Directors of Machino Plastics Limited

Sd/-
J. L. Garg
Partner
M.NO. 005406

Sd/-
Sanjiivv Jindall
Managing Director

Sd/-
G. C. Dwivedi
Director

Sd/-
Surya Kant Agrawal
General Manager (F)
Company Secretary

Place : Gurgaon
Dated : 3rd June, 2013

SIGNIFICANT ACCOUNTING POLICIES

1. Accounting convention

The company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis. The financial statements are prepared under the historical cost convention in accordance with the applicable accounting standards.

2. Use of estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period.

Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

3. Fixed assets and depreciation

Fixed assets are valued at cost less accumulated depreciation. Foreign exchange fluctuations are adjusted to the cost of relevant fixed asset. Leasehold land is being amortized over the period of lease. Depreciation on fixed assets is provided at the rates and in the manner prescribed in schedule XIV to the Companies Act, 1956, on straight line method. Depreciation on moulds acquired after 1st April, 1999 but before 31-3-2008 are depreciated on written down value method. Mould acquired after 1-4-2008 and Trolley & Bins acquired after 1-4-2009 are depreciated on the basis of economic useful life. Borrowing cost relating to fund borrowed for acquisition of qualifying assets for the year up to the date the assets are put to use is included in cost of relevant assets. Incremental cost arising on account of translation of foreign currency liabilities for acquisition of fixed assets are adjusted to the cost of such assets and depreciation is provided as aforesaid over the residual life of the respective assets.

4. Foreign currency transactions

(a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction.

(b) Monetary items denominated in foreign currencies at the year end are restated at year end rates.

(c) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the profit and loss account except in cases where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

5. Impairment of assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

6. Investments

Long-term investments are stated at cost and, where applicable, provision is made against diminution in value. Profit or loss on sale of investments are included in profit and loss account and calculated as the difference between the net proceeds realized and book value.

7. Inventories

a) Inventories are valued at the lower of cost or net realizable value. Cost, which comprises of expenditure incurred in the normal course of business in bringing inventories to their location and condition including relevant overheads, is calculated on first in first out basis.



- b) Machinery Spares (other than those supplied along with main plant and machinery, which are capitalised and depreciated accordingly) are charged off to revenue on consumption.
8. Revenue recognition
- Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.
9. Excise duty
- Excise duty is accounted on the basis of both, payments made in respect of finished goods cleared and also provision made for finished goods lying in bonded warehouses.
10. Retirement benefits
- A) Retirement benefits in the form of Provident fund are defined contribution schemes and the contributions are charged to the profit and loss account when the contributions to the respective funds become due.
- B) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation made at the end of each financial year. However, the company through its trust has taken a policy with LIC to cover the Gratuity liability of the employees. The difference between the actuarial valuation of the gratuity of employees at the year end and the balance of funds with LIC is provided for as liability in the books.
- C) Actuarial gains/losses are immediately taken to Profit & Loss account and not deferred.
- D) Short term employee benefits are recognized as an expenses at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.
11. Borrowing costs
- Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.
12. Earning per share
- The basic earning per share is computed by dividing the net profit attributed to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.
13. Taxation
- Provision for income tax is made on the basis of the estimated taxable income for the current accounting period in accordance with the Income Tax Act, 1961.
- Deferred tax resulting from timing difference between book and tax profit is accounted for under liability method, at the current rate of tax, to the extent that the timing differences are capable of reversal in one or more subsequent periods.
14. Contingencies / provisions
- Provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate of the expenditure required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote.

Notes to Financial Statements for the year ended 31st March 2013

(All Amount in Rupees, Unless otherwise stated)

Note	1.	Share capital	As at March 31, 2013		As at March 31, 2012	
			Number of shares	Amount	Number of shares	Amount
		Authorised Share Capital				
		Equity shares of Rs 10 each	15,000,000	150,000,000	15,000,000	150,000,000
			<u>15,000,000</u>	<u>150,000,000</u>	<u>15,000,000</u>	<u>150,000,000</u>
		Issued, subscribed and paid-up				
		Equity shares of Rs 10 each fully paid up				
		At the beginning of the year	6,136,800	61,368,000	6,136,800	61,368,000
		At the end of the year	<u>6,136,800</u>	<u>61,368,000</u>	<u>6,136,800</u>	<u>61,368,000</u>

Note 1.1 Rights, preference and restrictions attached to equity shares

The Company has one class of equity share having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held with a right to receive per share dividend declared by the company.

In the event of liquidation of the company, the holders of equity share shall be entitled to receive all of the remaining assets of the company, after distribution of all preferential amounts, if any. Such amount will be in the proportion to the number of equity shares held by stockholders.

Note 1.2 Particulars of shareholders holding more than 5% equity shares

	As at March 31, 2013		As at March 31, 2012	
	Number of shares	% of shares	Number of shares	% of shares
Sanjiivv Jindall	559,202	9.112%	559,202	9.112%
Aditya Jindal	376,200	6.130%	376,200	6.130%
Machino Transport Private Limited	1,416,813	23.087%	1,416,813	23.087%
Maruti Suzuki India Limited	941,700	15.345%	941,700	15.345%
Suzuki Motor Corporation	941,700	15.345%	941,700	15.345%

Note 1.3 Aggregate number of bonus shares issued and shares bought back during the period of five years immediately preceding the reporting date:

A) Equity shares of Rs. 10 each allotted as fully paid bonus shares by capitalisation out of capital redemption reserves.

Year	Number of shares	Amount in Rs.
2012 - 13	-	-
2011 - 12	-	-
2010 - 11	-	-
2009 - 10	-	-
2008 - 09	-	-

B) Equity shares of Rs. 10 each buy back.

Year	Number of shares	Amount in Rs.
2012 - 13	-	-
2011 - 12	-	-
2010 - 11	-	-
2009 - 10	-	-
2008 - 09	-	-



Note	As at 31 March, 2013	As at 31 March, 2012
2. Reserve and surplus		
Capital Redemption Reserve	12,500	12,500
Revaluation Reserve	149,621,982	149,621,982
General reserve		
At the commencement of the year	198,135,625	198,135,625
Add : Transferred from Statement of Profit and Loss	-	-
Closing balance	198,135,625	198,135,625
Surplus (Profit and loss balance)		
At the commencement of the year	188,048,400	198,060,557
Profit/(Loss) for the year	(13,273,888)	(10,012,157)
Closing balance	174,774,512	188,048,400
Total reserve and surplus	522,544,619	535,818,507

3. Long-term borrowings- secured

	Non-current portion		Current maturities	
	As at 31 March 2013	As at 31 March 2012	As at 31 March 2013	As at 31 March 2012
Term loan				
- Secured term loans from banks	54,646,172	93,274,998	39,712,968	4,415,477
- Foreign currency loans - buyer's credit from banks	191,103,045	241,326,129	65,648,496	41,333,333
Total	245,749,217	334,601,127	105,361,464	45,748,810

Notes

Secured term loans from banks

- Term loans are secured by way of pari passu first charge on company's fixed assets excluding tools & dies, both present future and second charge on current assets.
- The term loan taken from Allahabad Bank is Rs. 53,684,000/- (Previous year Rs. 23,000,000/-) which carries interest of 12.70% per annum.
- The term loan taken from Axis Bank Limited is Rs. 39,618,171/- (Previous year Rs. 73,386,029/-) which carries interest of 13.50% per annum.
- The car finance taken from Kotak Mahindra Prime Ltd is Rs. 1,056,969/- (Previous year Rs. 1,304,446/-) which carries interest of 11.75% per annum.
- Repayment schedule

	Next 1 year	1-3 years	Beyond 3 years
Term Loan from banks	39,712,968	54,521,858	124,314

Notes

Foreign currency loan - buyer's credit from bank

- Buyer's credit are secured by way of pari passu first charge on company's fixed assets excluding tools & dies, both present future and second charge on current assets.
- The buyer's credit taken from Allahabad Bank is Rs. 91,438,824/- (Previous year Rs. 127,015,809/-) which carries interest of LIBOR plus 100 - 150 bps per annum.

MACHINO PLASTICS LIMITED

Note

c. The buyer's credit taken from Axis Bank Limited is Rs. 165,312,717/- (Previous year Rs. 155,643,653/-) which carries interest of LIBOR plus 100 - 150 bps per annum.

d. Repayment schedule	Next 1 year	1-3 years	Beyond 3 years
Buyer's Credit from Banks	65,648,496	150,146,221	40,956,824

4. Deferred tax liabilities, net

	As at 31 March 2013	As at 31 March 2012
Deferred tax liability on account of		
Related to depreciable fixed assets	66,915,032	70,197,077
	<u>66,915,032</u>	<u>70,197,077</u>

Less:-

Deferred tax asset on account of

Related to carry forward business loss/employee benefits	266,531	7,688,847
	<u>266,531</u>	<u>7,688,847</u>

Net deferred tax liability

	<u>66,648,501</u>	<u>62,508,230</u>
--	-------------------	-------------------

5. Provisions

	Long term		Short term	
	As at 31 March 2013	As at 31 March 2012	As at 31 March 2013	As at 31 March 2012
Provision for employee benefits				
Gratuity	334,025	397,758	12,388	24,297
Total	<u>334,025</u>	<u>397,758</u>	<u>12,388</u>	<u>24,297</u>

6. Short term borrowings

	As at 31 March 2013	As at 31 March 2012
Loan repayable on demand		
From banks		
Cash credit from banks (secured)*	188,174,670	88,903,601
From bank (Unsecured) ^	-	74,550,000
Total	<u>188,174,670</u>	<u>163,453,601</u>

Nature of securities

The cash credit facilities are secured by way of pari passu first charge on entire current assets of the Company including stocks of raw material, goods in transit and book debts along with a pari passu charge on entire fixed assets of the Company.

*Cash credit facilities outstanding from The Bank of Tokyo-Mitsubishi UFJ, Ltd is Rs. 49,561,216/- (Previous year Rs. 47,536,104/-) carry interest ranging between 14.50% computed on the daily basis on the actual amount utilized, and are repayable on demand.

*Cash credit facilities outstanding from Allahabad Bank is Rs. 73,030,609/- (Previous year Rs. 41,367,497/-) carry interest ranging between 12.70% computed on the daily basis on the actual amount utilized, and are repayable on demand.

*Cash credit facilities outstanding from Axis Bank Limited is Rs. 65,582,845/- (Previous year Rs. Nil) carry interest ranging between 12.00% computed on the daily basis on the actual amount utilized, and are repayable on demand.



Note

^Unsecured loans from Kotak Mahindra Bank is Rs. Nil (Previous year Rs.74,550,000/-) carry interest rate of 11.75% p.a. computed on yearly basis and are repayable on demand.

	As at March 31, 2013	As at March 31, 2012
7. Trade Payables		
Payables to:		
Micro and Small Enterprises*	-	-
Others	9,893,742	32,923,389
Total	9,893,742	32,923,389

*Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) in respect of micro and small suppliers based on the information available with the Company.

	As at March 31, 2013	As at March 31, 2012
(i) the principal amount and the interest due thereon remaining unpaid to micro and small supplier as at the end of accounting year.	-	-
(ii) the amount of interest paid by the buyer under MSMED Act 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iii) the amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act 2006 not paid).	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of the accounting year; and	-	-
(v) the amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under MSMED Act, 2006.	-	-

	As at March 31, 2013	As at March 31, 2012
8. Other current liabilities		
Current maturities of long-term borrowings (refer note no 3)	105,361,464	45,748,810
Other payables (statutory dues)	13,732,794	11,807,280
Payable on account of employees	2,963,823	2,176,287
Creditors for capital goods	4,346,932	4,117,473
Advance from customers	34,755,557	10,197,580
Expenses payables	20,105,216	28,675,450
Interest accrued and due on borrowings (secured)	925,310	7,616,081
Unpaid dividends (equity)	1,704,768	1,936,916
Total	183,895,864	112,275,877

MACHINO PLASTICS LIMITED

Note

9. Tangible asset

Description	Cost				Accumulated Depreciation				Net block	
	As at 1 April 2012	Additions	Deletions/ Adjustments	As at 31 March 2013	As at 1 April 2012	For the year	Deletions/ Adjustments	As at 31 March 2013	As at 31 March 2013	
Freehold land (refer note no 3 of significant accounting policy)	197,100,248	-	-	197,100,248	-	-	-	-	197,100,248	
Land (lease hold)	1,144,714	-	-	1,144,714	895,594	34,685	-	930,279	214,435	
Buildings	130,828,679	2,128,644	(7,993,189)	124,964,134	26,385,827	8,412,414	(411,633)	34,386,608	90,577,526	
Plant & machinery (refer note no 32)	1,184,647,859	46,395,440	-	1,231,043,299	543,424,482	98,306,627	-	641,731,109	589,312,190	
Moulds	638,891,952	13,800,663	-	652,692,615	605,492,007	20,957,037	-	626,449,044	26,243,571	
Moulds on finance lease	109,046,139	-	-	109,046,139	109,046,138	-	-	109,046,138	1	
Furniture, fixtures, Computers & Office equipments	36,505,516	2,089,341	-	38,594,857	10,737,187	1,995,618	-	12,732,805	25,862,052	
Motor vehicles	11,341,047	1,336,374	(794,802)	11,882,619	4,524,375	977,385	(646,556)	4,855,204	7,027,415	
Total (A)	2,309,506,154	65,750,462	(8,787,991)	2,366,468,625	1,300,505,610	130,683,766	(1,058,189)	1,430,131,187	936,337,438	

Intangible asset

Description	Cost				Accumulated Depreciation				Net block	
	As at 1 April 2012	Additions	Deletions/ Adjustments	As at 31 March 2013	As at 1 April 2012	For the year	Deletions/ Adjustments	As at 31 March 2013	As at 31 March 2013	
Software	4,902,676	-	-	4,902,676	3,172,535	421,894	-	3,594,429	1,308,247	
Total (B)	4,902,676	-	-	4,902,676	3,172,535	421,894	-	3,594,429	1,308,247	

TOTAL (A+B)	2,314,408,830	65,750,462	(8,787,991)	2,371,371,301	1,303,678,145	131,105,660	(1,058,189)	1,433,725,616	937,645,685	
--------------------	----------------------	-------------------	--------------------	----------------------	----------------------	--------------------	--------------------	----------------------	--------------------	--

Capital work in progress	15,423,062	56,732,924	(12,417,454)	59,738,532	-	-	-	-	59,738,532	
Grand total	2,329,831,892	122,483,386	(21,205,445)	2,431,109,833	1,303,678,145	131,105,660	(1,058,189)	1,433,725,616	997,384,217	

9. Tangible asset

Description	Cost				Accumulated Depreciation				Net block	
	As at 1 April 2011	Additions	Deletions/ Adjustments	As at 31 March 2012	As at 1 April 2011	For the year	Deletions/ Adjustments	As at 31 March 2012	As at 31 March 2012	
Freehold land (refer note no 3 of significant accounting policy)	197,100,248	-	-	197,100,248	-	-	-	-	197,100,248	
Land (lease hold)	1,144,714	-	-	1,144,714	860,909	34,685	-	895,594	249,120	
Buildings	120,794,579	11,089,893	(1,055,793)	130,828,679	22,549,381	4,090,152	(253,706)	26,385,827	104,442,852	
Plant & machinery (refer note no 32)	993,741,750	190,906,109	-	1,184,647,859	449,994,278	93,430,204	-	543,424,482	641,223,377	
Moulds	641,465,309	12,267,959	(14,841,316)	638,891,952	590,969,419	17,897,405	(3,374,816)	605,492,007	33,399,945	
Moulds on finance lease	109,046,139	-	-	109,046,139	109,046,138	-	-	109,046,138	1	
Furniture, fixtures, Computers & Office equipments	32,415,759	4,089,757	-	36,505,516	9,500,667	1,236,520	-	10,737,187	25,768,329	
Motor vehicles	8,538,276	3,810,741	(1,007,970)	11,341,047	4,224,679	839,804	(540,108)	4,524,375	6,816,672	
Total (A)	2,104,246,774	222,164,459	(16,905,079)	2,309,506,154	1,187,145,471	117,528,770	(4,168,630)	1,300,505,610	1,009,000,544	

Intangible asset

Description	Cost				Accumulated Depreciation				Net block	
	As at 1 April 2011	Additions	Deletions/ Adjustments	As at 31 March 2012	As at 1 April 2011	For the year	Deletions/ Adjustments	As at 31 March 2012	As at 31 March 2012	
Software	4,902,676	-	-	4,902,676	2,750,641	421,894	-	3,172,535	1,730,141	
Total (B)	4,902,676	-	-	4,902,676	2,750,641	421,894	-	3,172,535	1,730,141	

TOTAL (A+B)	2,109,149,450	222,164,459	(16,905,079)	2,314,408,830	1,189,896,112	117,950,664	(4,168,630)	1,303,678,145	1,010,730,685	
--------------------	----------------------	--------------------	---------------------	----------------------	----------------------	--------------------	--------------------	----------------------	----------------------	--

Capital work in progress	65,433,939	13,129,562	(63,140,439)	15,423,062	-	-	-	-	15,423,062	
Grand total	2,174,583,389	235,294,021	(80,045,518)	2,329,831,892	1,189,896,112	117,950,664	(4,168,630)	1,303,678,145	1,026,153,747	



Note	As at March 31, 2013	As at March 31, 2012
10. Long term loans and advances <i>(Unsecured, considered good)</i>		
To parties other than related parties		
Security deposits	2,828,296	2,828,296
Total	2,828,296	2,828,296
	As at March 31, 2013	As at March 31, 2012
11. Other non current assets		
At Cost		
12,50,000 equity shares of Rs.10 each of Caparo Maruti Limited (Unquoted - Trade)	12,500,000	12,500,000
Total	12,500,000	12,500,000
	As at March 31, 2013	As at March 31, 2012
12. Inventories <i>(Valued at the lower of cost or net realisable value)</i>		
	38,813,842	41,266,764
Raw materials		
Finished goods	21,610,401	11,060,558
Packing material	2,239,750	983,840
Stores and spares	1,325,899	5,788,050
Total	63,989,892	59,099,212
Additional disclosure on inventory		
Finished goods		
Plastic moulded components	21,610,401	11,060,558
	21,610,401	11,060,558
Raw material		
Polypropylene	25,172,277	23,607,645
Nylon	6,154,297	11,332,275
Bought out parts	1,636,448	322,704
LLDPE	1,311,561	2,259,519
Master batch	983,933	413,550
ABS	783,447	1,063,387
Others*	2,771,879	2,267,684
	38,813,842	41,266,764

MACHINO PLASTICS LIMITED

Note

Packing material

Corrugated boxes	1,519,059	680,296
Polythene & polybags	397,336	166,670
Air bubble bag	215,996	67,110
Others*	107,359	69,764

	<u>2,239,750</u>	<u>983,840</u>
--	------------------	----------------

Store and spares

High speed diesel	676,168	713,248
Emblem s mark, silencer IP, reinforcement ip pab hole and clips	220,101	228,476
Spray	149,002	114,518
Hand gloves, emery paper & tag rag	53,412	57,400
Glass marking pencil & marker	38,455	15,444
Spacer cap clutch cover	22,800	39,600
Housiery cutting	15,000	7,500
Cutter blade	13,143	4,110
Bar code sheet	11,200	-
Imported spare parts	-	4,550,000
Others*	126,618	57,754

	<u>1,325,899</u>	<u>5,788,050</u>
--	------------------	------------------

*Others comprise several items and do not include any individual items accounting for 10% or more in total value.

	As at	As at
	March 31, 2013	March 31, 2012

13. Trade receivables

Receivables outstanding for a period exceeding six months from the date they became due for payment

- Unsecured, considered good	-	4,176
	-	4,176

Other receivables

- Unsecured, considered good	124,954,883	120,586,031
	<u>124,954,883</u>	<u>120,586,031</u>

Total	<u><u>124,954,883</u></u>	<u><u>120,590,207</u></u>
--------------	---------------------------	---------------------------



Note	As at March 31, 2013	As at March 31, 2012
14. Cash and cash equivalents:		
Cash and bank balances:		
Cash in hand	259,018	273,265
Balances with banks:		
Current accounts	15,946,369	5,011,501
	<u>16,205,387</u>	<u>5,284,766</u>
Other bank balances:		
Earmarked balances	1,704,768	1,936,915
Fixed deposits held as margin money (less than 12 months)*	11,468,386	9,788,704
Others bank balances	69,433	69,433
	<u>12,242,587</u>	<u>11,794,852</u>
Total	<u>29,447,974</u>	<u>17,079,818</u>

*Represents margin money against bank guarantees and letters of credit issued by bank

	As at March 31, 2013	As at March 31, 2012
15. Short term loans and advances <i>(Unsecured, considered good)</i>		
Advances to employees	398,037	444,605
Advances to suppliers - related party	3,856,339	-
Advances to suppliers - others	7,780,369	4,135,702
Prepaid expenses	2,854,935	2,840,216
Advance income tax	7,254,305	4,538,150
Indirect taxes (includes Service tax input credit, Cenvat credit and others)	23,528,117	43,665,320
Other loans and advances	1,843,662	9,495,513
	<u>36,355,764</u>	<u>58,519,406</u>
Total	<u>47,515,764</u>	<u>65,119,506</u>

MACHINO PLASTICS LIMITED

Note	For the year ended March 31, 2013	For the year ended March 31, 2012
16. Revenue from operations		
Sales of manufactured goods [Gross of excise duty] (after rebates and discounts)	1,963,516,766	1,711,870,662
Less: Excise duty	269,124,591	190,439,073
Sale of finished goods (net)	1,694,392,175	1,521,431,589
Other operating income		
Sale of scrap & residue	1,657,144	2,073,553
	<u>1,657,144</u>	<u>2,073,553</u>
Total	<u>1,696,049,319</u>	<u>1,523,505,142</u>
Break-up of revenue from sale of goods		
Revenue sale manufactured goods	1,962,582,319	1,691,977,116
Revenue sale moulds	-	12,125,151
Revenue sale raw material	934,447	7,768,395
	<u>1,963,516,766</u>	<u>1,711,870,662</u>
	For the year ended March 31, 2013	For the year ended March 31, 2012
17. Other Income		
Interest income - bank deposits	976,405	4,668,248
Foreign exchange difference income	-	2,881
Profit on sale of tangible fixed assets	44,199	13,143,416
Discount Received	6,596,161	4,233,395
Total	<u>7,616,765</u>	<u>22,047,940</u>
	For the year ended March 31, 2013	For the year ended March 31, 2012
18. Cost of materials consumed		
Opening stock of raw materials	41,266,764	51,543,353
Add: Purchases during the year	1,104,491,062	1,003,512,684
	1,145,757,826	1,055,056,037
Less: Closing stock of raw materials	38,813,842	41,266,764
Raw material consumed	1,106,943,984	1,013,789,273
Total	<u>1,106,943,984</u>	<u>1,013,789,273</u>



Note	For the year ended March 31, 2013	For the year ended March 31, 2012
Raw materials consumed #		
Polypropylene	1,057,669,140	974,099,299
Bought out parts	48,787,795	28,200,010
Purchase of moulds	487,049	11,489,964
Total	1,106,943,984	1,013,789,273
# Based on derived consumption		

	For the year ended March 31, 2013	For the year ended March 31, 2012
19. Changes in Inventory of finished goods		
Opening stock of finished goods	11,060,558	12,744,001
Closing stock of finished goods	21,610,401	11,060,558
Increase/(decrease) in excise duty	1,175,712	43,755
	9,374,131	(1,727,198)

	For the year ended March 31, 2013	For the year ended March 31, 2012
20. Operating expenses		
Manufacturing expenses		
Power and fuel	111,853,622	100,877,310
Repairs to factory buildings	1,263,353	2,627,346
Repairs to machinery	21,662,040	23,875,001
Insurance	3,224,587	2,574,753
Other manufacturing services	21,183,737	14,767,439
Total	159,187,339	144,721,849

	For the year ended March 31, 2013	For the year ended March 31, 2012
21. Employees benefits expenses		
Salary and wages^	118,969,608	103,404,473
Contributions to provident and other funds*	5,615,809	5,723,076
Staff welfare expenses	6,437,400	6,424,142
Total	131,022,817	115,551,691

*Includes contribution to provident and other funds for contract labour - 32,622

^Salary and wages includes managerial remuneration of Rs 6,691,200/- in the current year. Managerial remuneration paid during the year ended 31 March 2013 to the Managing Director exceeds the limits prescribed by sections 198 and 309 of the Companies Act, 1956. The Company is in the process of filing an application with the Central Government seeking approval for the excess remuneration paid.

MACHINO PLASTICS LIMITED

Note	For the year ended March 31, 2013	For the year ended March 31, 2012
22. Finance cost		
Interest expense on:		
- on term loan	15,578,274	14,932,280
- on buyers credit	10,946,680	12,040,834
- on cash credit	6,425,527	9,483,740
Bank charges	273,271	702,626
Cash discount & others	13,307,109	10,842,702
Total	46,530,861	48,002,182
	For the year ended March 31, 2013	For the year ended March 31, 2012
23. Depreciation and amortization expenses		
	130,683,766	117,528,770
Tangible assets		
Intangible assets	421,894	421,894
Total	131,105,660	117,950,664
	For the year ended March 31, 2013	For the year ended March 31, 2012
24. Other Expenses		
Administrative general expenses		
Subscriptions membership fees	333,102	97,300
Packing, freight and forwarding	116,279,528	86,830,311
Telephone and postage	1,340,580	1,088,506
Printing and stationery	1,398,475	1,419,226
Information technology expenses	600,000	655,000
Travelling conveyance	3,421,598	2,438,770
Legal professional charges	3,085,947	3,928,480
Insurance expenses	82,065	171,878
Repairs maintenance expenses	2,286,080	1,630,950
Vehicle running expenses	1,452,764	1,468,089
Rent	1,592,312	1,454,674
Rates and taxes	41,399	69,180
Safety security expenses	4,582,269	3,491,792
Auditor's remuneration		
statutory audit fees	475,000	475,000
tax audit fees	115,000	115,000
other services	84,000	84,000
Directors sitting fees	322,000	371,000



Donations	940,883	205,000
Books periodicals	58,848	44,924
Other administrative general expenses	1,292,809	1,777,572
	139,784,659	107,816,652
Selling and distribution expenses		
Advertising promotional expenses	440,456	365,136
Commission paid other selling agents	210,000	90,000
	650,456	455,136
Write off assets and liabilities		
Bad debts advances written off	-	2,190
Loss on sale of tangible fixed assets	6,948,056	237,862
	6,948,056	240,052
Total	147,383,171	108,511,840

25. Contingent liabilities and commitments (to the extent not provided for):

- (i) Contingent liabilities not provided for
 - a) Demand under the central excise act of Rs. 111,535,494/- (Previous year Rs. 139,256,442/-).
 - b) Demand under the income tax act of Rs. 13,079,410/- (Previous year Rs. Nil).
- (ii) Guarantees
 - a) In respect of bank guarantees : Rs. 1,500,000/- (Previous year Rs. 1,000,000/-)
- (iii) Commitments
 - a) Estimated amount of contracts, remaining to be executed on capital account (net of advances) Rs. 17,975,216/- (Previous year Rs. Nil).

26. During the year ended 31st March 2009 company has revalued its land (free hold) by (Rs. 149,621,982/-) substituting its historical cost of Rs 47,253,018/- by revalued amount of Rs. 196,875,000/-. The said revaluation was done by an external valuer using comparable method.

27. (i) Contribution to defined benefit plan

The company has a defined benefit gratuity plan, every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with "Life Insurance Corporation" in the form of a qualifying insurance policy.

CHANGES IN PRESENT VALUE OF OBLIGATION

As of	31-03-2013	31-03-2012
Present value of obligation at the beginning	6,062,683	4,139,671
Interest cost	491,675	348,138
Current Service cost	1,374,559	1,029,287
Benefits paid	(205,951)	(321,885)
Actuarial (Gain)/Loss on obligation	(370,593)	867,472
Present value of obligation at the end	7,352,373	6,062,683

MACHINO PLASTICS LIMITED

CHANGES IN PRESENT VALUE OF PLAN ASSETS

As of	31-03-2013	31-03-2012
Fair Value of Plan Assets at the beginning	5,640,628	5,463,805
Expected Return of Plan Assets	553,796	484,304
Contributions	1,056,567	-
Withdrawal	(205,951)	(321,885)
Actuarial (Gain)/Loss of Plan Assets	(39,080)	14,404
Fair Value of Plan Assets at the end	7,005,960	5,640,628

FAIR VALUE OF PLAN ASSETS

As of	31-03-2013	31-03-2012
Fair Value of Plan Assets at the beginning	5,640,628	5,463,805
Actual Return on Plan Assets	514,716	498,708
Contributions	1,056,567	-
Withdrawal	(205,951)	(321,885)
Fair Value of Plan Assets at the end	7,005,960	5,640,628
Present Value of obligation at the end	7,352,373	6,062,683

ACTUARIAL GAIN/LOSS RECOGNISED

As of	31-03-2013	31-03-2012
Actuarial Gain/(Loss) on obligations	370,593	(867,472)
Actuarial Gain/(Loss) on Plan Assets	(39,080)	14,404
Total Gain/(Loss)	331,513	(853,068)
Actuarial Gain/(Loss) Recognised	331,513	(853,068)

AMOUNT TO BE RECOGNISED IN THE BALANCE SHEET

As of	31-03-2013	31-03-2012
Fair Value of Plan Assets at the end	7,005,960	5,640,628
Present Value of obligation at the end	7,352,373	6,062,683
Net Assets/(Liability) recognised in the Balance Sheet	(346,413)	(422,055)

EXPENSES RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS

As of	31-03-2013	31-03-2012
Current Service Cost	1,374,559	1,029,287
Interest Cost	491,675	348,138
Expected return on Plan Assets	(553,796)	(484,304)
Actuarial Gain/(Loss) recognised	331,513	853,068
Expenses Recognized in the statement of Profit and Loss	980,925	1,746,189



KEY ASSUMPTIONS

As of	31-03-2013	31-03-2012
Mortality Table	IAL 2006-08 Ultimate	LIC 1994-96 Ultimate
Imputed Rate of Interest	08.25% p.a.	08.75% p.a.
Salary Rise (Gurgaon Plant)	10.00% p.a.	10.00% p.a.
Salary Rise (Manesar Plant)	07.00% p.a.	10.00% p.a.
Return on Plan Assets (Gurgaon Plant)	09.15% p.a.	09.00% p.a.
Return on Plan Assets (Manesar Plant)	09.00% p.a.	09.00% p.a.
Remaining Working Life (Gurgaon Plant)	18.70 years	19.03 years
Remaining Working Life (Manesar Plant)	25.06 years	24.57 years

- * The estimates of rate of escalation in salary considered in actuarial valuation, taken into account inflation, seniority, per motion and other relevant factors including supply and demand in the employment market.

(ii) Contribution to defined contribution plan

As of	31-03-2013	31-03-2012
Provident Fund	4,244,173	3,665,500

28. Other income includes interest received Rs. 976,405/- (Previous year Rs. 4,668,248/-), tax deducted thereon is Rs. 97,652/- (previous year Rs. 1,73,008/-), Profit on sale of fixed assets Rs.44,199/- (Previous year 13,143,416/-), Gain from Foreign Fluctuation Rs. Nil (Previous year Rs. 2,881/-), Discount received Rs.6,596,161/- (Previous year Rs.4,233,395/-).
29. The company had made Investment of Face Value of Rs.12,500,000/- in equity shares of Caparo Maruti Limited. The investee company has disputed the shareholding of the Company. The company has filed a petition to Hon'ble Company Law Board, who gave company an option to sell shares to majority shareholders after valuation to make an exit. The Company filed an appeal in the Hon'ble Delhi High Court which dismissing company's appeal upheld Company Law Board order thereafter SLPs were preferred against the orders of the Hon'ble High Court of Delhi before the Hon'ble Supreme Court of India by both the parties. The matter is still sub-judice.
30. The Hon'ble High Court of Punjab and Haryana has awarded enhanced compensation to land looser in respect of land acquired by HSIIDC, A Government Agency, from whom the company has purchased on 16th March 2005, four acres of land for its factory at Manesar. In turn HSIIDC has demanded a sum of Rs.42,320,250/- in respect of land allotted to the company. IMT Manesar Association has filed petition in the Hon'ble High Court of Punjab and Haryana challenging the demand on behalf of industries at Manesar. The Hon'ble High Court has directed allottees, in the hearing dated 30th April 2013, to deposit 40% of demanded amount, pending final judgement. The company has not yet paid any amount. However in case, the said enhancement is paid the same will form of cost of free hold land at Manesar.
31. An accident occurred in Manesar Plant of the company on 21st January 2012 causing damage to fixed assets Gross Valued at Rs. 33,202,884/- and WDV at Rs. 23,872,957/- and stock value of Rs. 2,606,334/- at cost. Company has in force an all industrial risk insurance policy at the time of accident which has arrangement

MACHINO PLASTICS LIMITED

for replacement / re-instatement of assets. Management is of the view that final adjustment for impact on carrying value of assets shall be carried out after settlement of insurance claims, since it is unascertainable at this stage.

32. The company is exclusively engaged in the business of manufacturing plastic moulded parts for automotive, appliances and industrial application and allied products, which is considered as the only reportable segment referred to in statement on Accounting Standard (AS) -17 "Segmental Reporting". The geographical segmentation is not relevant, as there is insignificant export.
33. Information as required by Accounting Standard – (AS) - 18 "Related Parties Disclosures" as follows:

List of related parties:

a. Associate companies

Maruti Suzuki India Limited
Suzuki Motor Corporation, Japan

**b. Enterprises over which key management personnel
and their relatives are able to exercise significant influence**

Machino Motors Pvt. Limited
Grandmaastters Mold Limited
Machino Techno Sales Limited
Machino Transport Private Limited
Machino Finance Private Limited
Machino Autocomp Pvt Ltd
Machino Polymers Limited

c. Key management personnel & relatives

Mr. M.D.Jindal	-	Chairman
Dr. Sanjiivv Jindal	-	Managing Director & Son of Chairman
Mrs. Kamla Jindal	-	Spouse of Chairman
Mrs. Sarita Jindal	-	Spouse of Managing Director
Mr. Aditya Jindal	-	Son of Managing Director
Miss Simta Jindal	-	Daughter of Managing Director



Details of related party transactions are as follows:

Name of Related Party	Nature of Transaction	Current Year (Rs)	Previous Year (Rs)
Receipts			
Maruti Suzuki India Limited	Sale of Goods / Moulds	1,415,711,265	1,224,626,182
Machino Polymers Limited	Car loan	216,763	522,432
Grandmaastters Mold Limited	Sale of Goods	2,949,611	3,913,193
Grandmaastters Mold Limited	Excise	1,838,435	Nil
Grandmaastters Mold Limited	TDS	181,801	Nil
Machino Polymers Limited	Receipt of cash discount	5,065,265	3,771,824
Payments			
Machino Polymers Limited	Purchase of raw materials	275,500,757	307,662,737
Machino Polymers Limited	TDS	1,023,680	Nil
Grandmaastters Mold Limited	Purchase of moulds & Conversion charges	16,961,498	23,804,691
Mrs. Kamla Jindal	Rent	330,000	330,000
Mr. M.D. Jindal	Sitting fees	70,000	91,000
Dr. Sanjiiv Jindal	Remuneration	6,691,200	6,691,200
Mrs. Sarita Jindal	Salary	588,204	588,204
Mr. Aditya Jindal	Salary	2,400,000	826,524
Miss Simta Jindal	Salary	588,000	588,000
Outstanding balance as on 31st March,13			
Grandmaastters Mold Limited	(Payable)/ Receivable	3,856,339	1,807,335
Maruti Suzuki India Limited	Receivable	49,298,133	59,417,449
Machino Polymers Limited	(Payable)/ Receivable	(4,250,495)	(3,092,067)

34. As per Accounting Standard (AS) - 20 on “Earning Per Share” (EPS), the particulars of EPS for equity shareholders are as below :-

Sr. No.	Particulars	Current Year (Rs)	Previous Year (Rs)
(i)	Net Profit / (Loss) as per profit & loss account (Rs.)	(13,273,888)	(10,012,157)
(ii)	Average no. of equity shares used as denominator for calculating EPS	6,136,800	6,136,800
(iii)	EPS (Basic and diluted) (Rs.)	(2.16)	(1.63)
(iv)	Face value of each equity share(Rs.)	10	10

MACHINO PLASTICS LIMITED

35. Pursuant to clause ix (c) of section 227(4A) of the companies Act, 1956, the details of disputed dues are as follow.

Name of Statue	Nature of the dues	Amount	Amount deposit under protest	Period	Forum where Dispute is pending
The Central Excise Act, 1944	Excise duty	74,743,777	Nil	October, 99 to September, 04	Commissioner of Central Excise, Delhi-III
The Central Excise Act, 1944	Excise duty	18,706,867	Nil	October, 04 to September, 05	Commissioner of Central Excise, Delhi-III
The Central Excise Act, 1944	Excise duty	2,258,355	Nil	F.Y. 2003-04 & 2004-05	Central Excise Depart., Gurgaon Range
The Central Excise Act, 1944	Excise duty	15,826,495	Nil	F.Y. 2005-06 & 2006-07 (up to May 2006)	Central Excise (Service) Depart., Gurgaon Range
The Income Tax Act, 1961	Income Tax	13,079,410	Nil	F.Y. 2009-10	Commissioner of Income Tax & Appeals, New Delhi

36. Unhedged Foreign Currency Exposure

Particulars of unhedged foreign currency exposure as at the Balance Sheet date	Amount in Foreign Currency			Amount in Indian Currency (Rs)	
	Currency	Current Year	Previous Year	Current Year	Previous Year
Payables	USD	4,745,904	5,556,012	257,863,972	284,226,128

37. Consumption of imported and indigenous raw materials and percentage of total consumption

Particulars	Current year		Previous year	
	Value (Rs)	% of Total Consumption	Value (Rs)	% of Total Consumption
Indigenous	1047,246,286	94.61	919,190,566	90.67
Imported	59,697,698	5.39	94,598,707	9.33

38. C.I.F. value of imports

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Raw materials	47,738,855	75,349,222
Components and spare parts	808,127	9,913,690
Capital Goods	51,129,735	6,1723,769



39. Expenditure in foreign currency

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Travelling expenses	503,339	480,232
Technical fees paid	Nil	1,570,061
Interest on buyers' credit	9,154,144	6,989,112

40. Earning in foreign exchange

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Export sales	520,595	10,050,323
Advance received against moulds	29,455,796	Nil

41. Remittance in foreign exchange towards dividends

Particulars	Current Year	Previous Year
Number of non - resident shareholders	Nil	1
Shares held – Equity Shares of Rs. 10 each	Nil	941,700
Dividend remitted during the year	Nil	2,354,997

42. The figures are adjusted to the nearest rupee and figures for previous year have been regrouped / rearranged to conform to the classification in the current year.

As per our report of even date

For **Goel Garg & Co.**
Chartered Accountants
(FRN NO. 000397N)

For and on behalf of the Board

Sd/-
J. L. Garg
Partner
M.NO. 005406

Sd/-
Sanjiivv Jindall
Managing Director

Sd/-
G. C. Dwivedi
Director

Sd/-
Surya Kant Agrawal
General Manager (F)
Company Secretary

Place : Gurgaon
Dated : 3rd June, 2013

MACHINO PLASTICS LIMITED

PROXY FORM

Machino Plastics Ltd.

Registered Office:

Plot No. 3, Maruti Joint Venture Complex,
Delhi Gurgaon Road, Udyog Vihar,
Phase-IV, Gurgaon-122015 (Haryana)

*DP Id _____

Regd. Folio No. _____

*Client Id _____

I/We _____ of _____ in the district
of _____ being a Member/Members of the above mentioned company hereby
appoint _____ of _____ in the
district of _____ as my /our proxy to vote for me / us on my / our behalf at the 28th
Annual General Meeting of **MACHINO PLASTICS LIMITED** to be held at GIA House, IDC Opp. Sector-14, Mehrauli
Road, Gurgaon-122001 (Haryana) on Tuesday 13th August , 2013, at 12.00 p.m. and any adjournment thereof.

Date _____

*Applicable for investors holding shares in electronic form.

Note: The Proxy must be returned so as to reach the Registered Office of the Company not less than 48 hours
before the time of holding the aforesaid meeting.

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall.

Name of attending member _____

(IN BLOCK LETTERS)

Member's Folio Number _____ No. of Shares Held _____

*DP Id _____

*Client Id _____

Name of Proxy _____

(IN BLOCK LETTERS)

(to be filled in if the Proxy attends the meeting instead of the Members)

I, hereby record my presence at the 28th Annual General Meeting of **MACHINO PLASTICS LIMITED** held on Tuesday
13th August, 2013, at 12.00 p.m. at GIA House, IDC Opp. Sector-14, Mehrauli Road, Gurgaon-122 001 (Haryana) and
at any adjournment thereof.

Member's/Proxy's Signature
(to be signed at the time of handing over the Slip)

Book-Post

If undelivered please return to:

Machino Plastic Limited

3, Maruti J. V. Complex, Delhi Gurgaon Road, - 122015 (Haryana)

Tel. : 0124-2341218, 2340806, 2346094, 2347601

Fax : 0124-2340692 E-mail : admin@machino.com

Tel. : 011-29541681, 9873000211