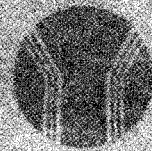
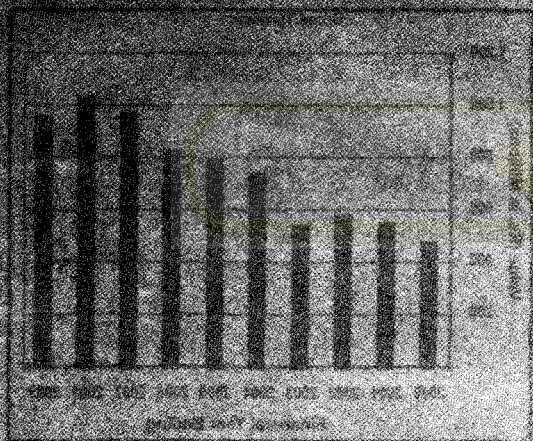
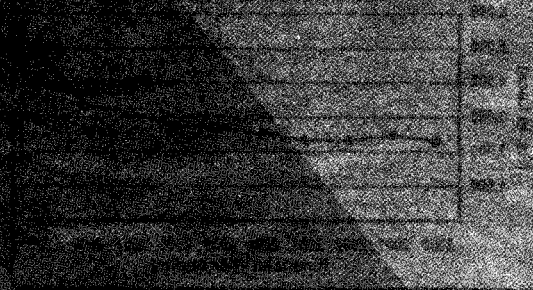


# MACHINO PLASTICS LIMITED



## CONTENTS

PERFORMANCE OVER LAST 10 YEARS AT A GLANCE



## 24th Annual Report 2008- 2009



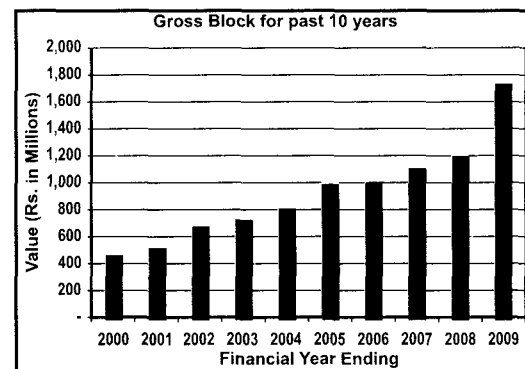
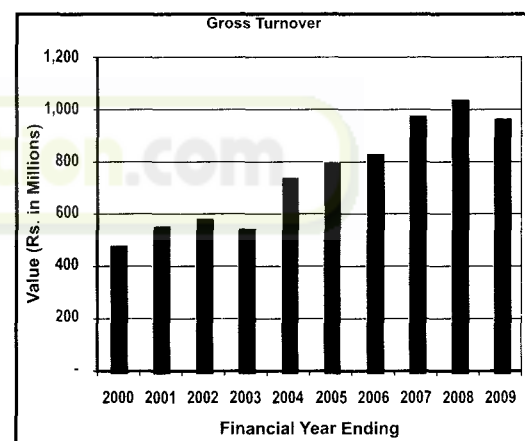
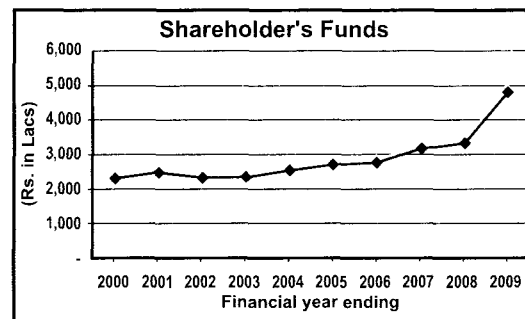


# MACHINO PLASTICS LIMITED

## CONTENTS

	Page No.
Corporate Information	1
Notice	2-8
Director's Report	9-12
Management Analysis & Discussion Report	13-15
Corporate Governance Report	16-30
Auditor's Report	31-34
Balance Sheet	35
Profit and Loss Account	36
Cash Flow Statement	37
Schedules to the Accounts	38-53

### PERFORMANCE OVER LAST 10 YEARS AT A GLANCE





# Corporate Information

## Board of Directors

Chairman

Director (Representative of Suzuki Motors Corporation, Japan)

Director (Representative of Maruti Suzuki India Ltd.)

Director

Director

Director

Managing Director

M. D. Jindal

Masayuki Kamiya

A. K. Tomer

Harbhajan Singh

R. L. Gaggar

S. Natarajan

Dr. Sanjiivv Jindall

## Bankers

State Bank of India

Industrial Finance Branch, New Delhi

The Bank of Tokyo-Mitsubishi Limited  
New Delhi

HDFC Bank Ltd., Gurgaon

## Auditors

Goel Garg & Co.  
Chartered Accountants,  
New Delhi

General Manager (F)  
Cum Company Secretary

Pradeep Jhalani

## Registered Office & Factory

3, Maruti Joint Venture Complex  
Gurgaon - 122 015 (Haryana)  
Ph. : 0124-2341218, 2340806  
2346094, 2347601  
Fax : 0124-2340692  
E-mail : [admin@machino.com](mailto:admin@machino.com)

Share Transfer Agent  
(For Demat & Physical purpose)

M/s Alankit Assignments Limited  
2E/21, Jhandewalan Extension  
New Delhi - 110 055  
Ph. : 011-42541234  
Fax : 011-23552001  
E-mail : [alankit@alankit.com](mailto:alankit@alankit.com)

MACHINO PLASTICS LIMITED

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# Notice of Annual General Meeting

Notice is hereby given that the 24th Annual General Meeting of the members of M/s Machino Plastics Limited will be held on Wednesday, the 23rd September, 2009 at 11.00 am at GIA House, I.D.C., Mehrauli Road, Gurgaon (Haryana), to transact the following business:

**ORDINARY BUSINESSES**

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2009 and Profit and Loss Account for the year ended on that date and report of auditors and directors thereon.
2. To declare a dividend on equity shares.
3. To appoint a director in place of Mr. M D Jindal who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a director in place of Mr. A K Tomer who retires by rotation and being eligible offers himself for reappointment.
5. To appoint the auditors of the company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the company and authorise the Board to fix their remuneration.

**SPECIAL BUSINESSES**

6. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an ordinary resolution:  
  
"RESOLVED THAT Mr. Masayuki Kamiya who was appointed as an additional director of the company by the Board of Directors w.e.f 31st January, 2009 and who holds office upto the date of this Annual General Meeting, pursuant section 260 of the Companies Act, 1956 and in

respect of whom the company has received a notice under Section 257 of the Companies Act, 1956, be and is hereby appointed as a director of the company, liable to retire by rotation"

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

"RESOLVED THAT the consent of the Company be and is hereby accorded under the provisions of Section 293 (1) (a) of the Companies Act, 1956 to the Board of Directors of the Company to mortgage and / or create charge on all or any of the immovable and / or movable properties of the Company, both present and future, or the whole or substantially the whole of the undertaking or undertakings of the Company for securing loans upto a total amount of Rs. 100 Crore (Rupees One Hundred Crore only) for the purpose of the business of the Company."

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

"RESOLVED THAT pursuant to the provisions of sections 314(1B) of the Companies Act, 1956 and subject to the approval of the Central Government, consent of the company be and is hereby accorded to Mr Aditya Jindal, a son of Dr Sanjiivv Jindall, Managing Director of the company to hold an office or place of profit as Officer on Special Duty of the company with effect from 1-10-2009 at a monthly remuneration of Rs. 49500/-" .

9. To consider and, if thought fit, to pass with or without modification(s) the following resolution as a special resolution :



"RESOLVED THAT pursuant to the provision of section 198,269,309,310,316 & 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 to reappointment of Dr. Sanjiiv Jindall, Managing Director of the Company for a period of three years commencing from 1st April, 2009 as per terms and condition mentioned below :

#### REMUNERATION :

Basic Salary : Rs.2,80,000/- per month.

House Rent Allowances/Rent for Unfurnished accommodation. : Rs. 20,000/- 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, provident fund, 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.

#### Minimum Remuneration

The Managing Director shall be paid the aforesaid remuneration as minimum remuneration, even in the event of loss or inadequacy of profit, with suitable increase(s) as may be determined by the Board and as per the approval of Central Government as may be necessary.

"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 be and are hereby authorised 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 Company as required under various applicable provisions of the Companies Act, 1956 as amended by the Companies Amendment Act, 2000 be and is hereby granted"

By order of the  
Board of Directors

Place : Gurgaon  
Dated : 31st July, 2009

**Pradeep Jhalani**  
General Manager  
Finance Cum Company Secretary

## MACHINO PLASTICS LIMITED

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### NOTES

1. A MEMBER 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 authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting.
3. Members who hold shares in dematerialised 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 from 21st September, 2009 to 23rd September 2009, both days inclusive for determining the names of Members eligible for dividend on Equity Shares, if declared at the Meeting.
7. In order to provide protection against fraudulent encashment of dividend warrants, Members who hold shares in physical form are requested to intimate the Company's Registrar and Share Transfer Agent, M/s Alankit Assignments Limited, under the signature of the Sole /First Joint Holder, the following information to be incorporated on dividend warrants:
  - (i) Name of the Sole/First joint holder and the Folio Number.
  - (ii) Particulars of Bank Account, viz:  
Name of Bank  
Name of the Branch  
Complete address of the Bank with Pin Code Number  
Account type, whether Savings Account (SA) or Current Account (CA)  
Bank Account Number
8. Members who hold shares in dematerialised form may kindly note that their Bank Account details, as furnished by their Depositories to the Company, will be printed on their dividend warrants as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for deletion of or change in such Bank Account details. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in electronic form. Members who wish to change such Bank Account details are therefore requested to advise their Depository Participants about such change with complete details of Bank Account.
9. To avoid loss of dividend warrants in transit and undue delay in respect of receipt of dividend warrants, the Company has provided a facility to the Members for remittance of dividend through the Electronic Clearing System (ECS). The ECS facility is available at locations identified by Reserve Bank on India from time to time and covers most of the cities and towns. Members holding shares in physical form and desirous of availing this facility are requested to contact the Company's Registrar and Share Transfer Agent, M/s Alankit Assignments Limited.
10. All unclaimed dividend declared up to the financial year ended March 31, 2001 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 aforesaid financial year are requested to claim such dividends from the Registrar of Companies, NCT of Delhi & Haryana, 4th Floor, IFCI Tower, Nehru Place, New Delhi-110019.

Dividend for the financial year ended March 31, 2002 and thereafter, which remain unpaid or unclaimed for a period of 7 years from the date they became due for payment will be transferred by the Company to Investor Education and Protection Fund. Members who have not so far encashed dividend warrant(s) for the aforesaid years are requested to seek issue of duplicate warrant(s) by writing to the Company/ Registrar immediately.

11. 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).
12. Individual shareholders can take the facility of nomination. For further detail in this regard shareholders may contact Share Transfer Agent of the company.
13. The shares of the company are transacted in compulsory dematerialise form. Shareholders are requested to convert their shares in demat form at the earliest possible.
14. Members are requested to quote their demat account/ folio no. in all correspondence with the company.
15. Members attending the Annual General Meeting are requested to bring along their copies of the annual report, as the same will not be distributed at the meeting.

**Pursuant to Section 173(2) of the Companies Act, 1956.**

#### **Explanatory Statement to Item No. 6**

Mr. Masayuki Kamiya was appointed as an additional director of the company by the Board of Directors of the company in its meeting held on 31st January, 2009. According to the provisions of the Section 260 of the

Companies Act, 1956, he holds the office uptill the date of ensuing Annual General Meeting.

The company has received a notice in writing from member under section 257 of the Companies Act, 1956, signifying his intention to propose the name of Mr. Masayuki Kamiya as a candidate for the office of director.

Mr. Masayuki Kamiya is the nominee director on the Board on behalf of Suzuki Motor Corporation, Japan. Mr Kamiya is a Mechanical Engineer with specialization in Welding engineering. He is the plant head for Manesar unit of MSIL and working for over 25 years with Suzuki Motor Corporation, Japan

None of the Directors except Mr. Masayuki Kamiya himself is interested in the resolution.

#### **Explanatory Statement to Item No. 7**

Provisions of section 293(1)(a) of the Companies Act, 1956 says that certain powers of the Board like creation of security in lender's favour can be exercised only with consent of shareholders in Annual General Meeting.

Our company has been borrowing money from time to time and need to borrow in future as well. In order to create security in lenders' favour it is required that a resolution is passed under provisions of section 293 (1)(a) of the Companies Act, 1956.

The shareholders are requested to pass the resolution.

None of the Directors are interested in the resolution.

#### **Explanatory Statement to Item No. 8**

Mr Aditya Jindal, son of Dr. Sanjiiv Jindal, Managing Director of the company has just completed his bachelor of science, Chemical Engineering in May 2009 from University of Michigan, USA. He has reasonable knowledge of developing manufacturing plastics from alternative sources to petroleum. The management wishes to appoint him in the company to gain from his entrepreneur skill and young talent. The remuneration being proposed for Mr Aditya Jindal commensurate with his education and knowledge and comparable is with being paid to other employees of the company.

The shareholders are requested to pass the resolution.



**MACHINO PLASTICS LIMITED**

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

**Explanatory Statement to Item No. 9**

Dr. Sanjiivv Jindall was re-appointed as the Managing Director of the Company w.e.f. 1st April, 2006 for a period of three years. The re-appointment of Dr. Sanjiivv Jindall was approved by the shareholders of the Company at 21st Annual General Meeting held on 17th July, 2006. The tenure of his appointment has expired on 31st March, 2009. The Board in its meeting dated 31st January, 2009 has re-appointed Dr. Sanjiivv Jindall as the Managing Director of the company for a period of three year from 01.04.2009 at a remuneration to be recommended/ fixed by Remuneration Committee. The Remuneration Committee in its meeting dated 31st January, 2009 has fixed/recommended existing remuneration of Rs.3 Lac per month as above. This remuneration has also been approved by the Board.

Dr. Sanjiivv Jindall is the promoter of the Company and has been associated with the Company right from its inception. Keeping in view the responsibilities and his contribution to the Company and the current financial health of the company his reappointment is recommended at same remuneration as per terms & conditions specified in the resolution w.e.f. 1st April, 2009.

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, instrument panels, grills as original equipments and for spare parts market for Maruti Suzuki India Limited (MSIL). The Company also manufacture automotive parts for Eicher Motors Ltd, Visio Corp, Hero

Motors, Suzuki Motor Cycle etc. Share of non - MSIL business is very small being below 5%.

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

The Company is already in production for more two decades.

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

The Company is already into production.

**4. Financial performance based on given indicators**

	(Rs. in Lacs)	
	2008-2009	2007-2008
Income from Operation (net of excise)	8432.17	8780.12
Profit before tax	136.41	485.16
Dividend	5%	20%

**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 total equity of the Company.

**II. INFORMATION ABOUT THE APPOINTEE i.e., DR. SANJIIVV JINDALL****1. Background details :**

Dr. Sanjiivv Jindall, Managing Director aged 52 years has completed his Ph.D from Pacific Western University, U.S.A. and MBA Programme in International Management from IMI, India in Delhi and B. Com (Hon's) from St. Xavier's College, Calcutta. He has rich experience in the field of plastic moulding and marketing. He is associated with the company since beginning.





## 2. Past Remuneration

The remuneration being paid to Dr. Sanjiiv Jindal from 1st April 2006 is Rs. 3 Lacs per month.

## 3. Recognition and awards

During his tenure the company has been awarded for "sincere efforts & superior performance in the field of KAIZEN & MPS" by MSIL in 2006 and Vendor performance FOR 08-09 by MSIL.

## 4. Job profile and his suitability

The Job profile of the Managing Director of the Company includes overall supervision and control of the Company's activities and managing all matters relating to planning, production, finance, administration and such other duties as assigned by the Board of Directors.

## 5. Remuneration proposed

As per resolution no. 9 to the notice of A.G.M., Rs. 3 Lacs p.m.

## 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 director and substantial shareholder in M/s. Grandmaastters Mold Ltd (GML), a mould and spares supplier to the company. Approval under section 297 of the Companies Act, wherever required is obtained by the company in relation to arrangement with GML. His wife Mrs. Sarita Jindal is an employee of the company at a remuneration of Rs. 40,000/- 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 Ltd. where he is a director. His son Mr. Aditya Jindal is proposed to inducted in the company at a salary of Rs. 49500/- pm as mentioned in item no. 8 of this notice. Other details are provided in the Corporate Governance report forming part of annual report.

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

There is a decline in profits due to low business volume in terms of quantity and corresponding increase in other inputs.

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

The Company is making efforts for cost reduction and on increasing non-maruti business. MSIL has ramped up its production during current year. The plant is working with over 90% capacity utilization.

## 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. Sanjiiv Jindal, Managing Director forms 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 the 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 Directors are given in Corporate Governance Report, forming part of the Director's Report of the year 2008-2009.

**MACHINO PLASTICS LIMITED****Information to Shareholders in pursuance of Clause 49 (IV) (G) of Listing Agreement with reference to appointment / reappointment of Directors (item no. 3,4 & 6 and 9)**

Director	Brief Resume	Hold Directorship in	Membership in Committees	Shares held
Mr. M D Jindal	Mr. Jindal is an industrialist with rich experience of over 60 years in Automobile Industry. He is a Graduate in Economics & Engineer with Specialisation in Automobile Industry from England. He is founder of the company.	Machino Polymers Ltd. Machino Autocomp Ltd Machino Techno Sales Ltd Machino Finance Pvt Ltd Rajiv Exports Industries Pvt Ltd Machino Animation Pvt Ltd Machino Motors Pvt Ltd	Machino Polymers Ltd.	148811
Mr. A K Tomer	Mr A K Tomer is B Tech, Mechanical Engineer. He is over 24 years of vast and varied experience in the field of quality assurance in Automobile Industry.	None	None	NIL
Mr. Masayuki Kamiya	Mr Masayuki Kamiya is a Mechanical Engineer with specialisation in Welding engineering. He is the plant head for Manesar unit of MSIL and working with over 25 years with Suzuki Motor Corporation, Japan.	None	None	None
Dr. Sanjiivv Jindall	Dr. Sanjiivv Jindall, Managing Director aged 52 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 Limited Machino Polymers Ltd Machino Techno Sales Pvt. Ltd. Machino Transport Sales Pvt. Ltd. Machino Finance Pvt. Ltd.	None	559202