

26th Annual Report 2010-11



MACHINO
PLASTICS LIMITED



Corporate Information

Board of Directors

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

Bankers

State Bank of India, Industrial Finance Branch, New Delhi
The Bank of Tokyo-Mitsubishi UFJ Limited, New Delhi
Allahabad Bank, Parliament Street, New Delhi
Axis Bank, Sector 14, Gurgaon Branch

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: admin@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

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26th Annual General Meeting on Friday the 29th July, 2011, at 10.30 a.m. at GIA House, Mehrauli Road, Gurgaon-122001 (Haryana)

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

From the Chairman's Desk

25 years of Journey

My Dear Fellow Shareholders,

I am writing you this communication to mark the completion of 25 years of journey of your company Machino Plastics Limited on 2nd April 2011. Some of the early events the company has travelled, which I wish to record and express my gratitude to the people who supported are:-



- a. Company got incorporated on 2nd April 1986 and certificate of commencement of business issued on 29th April 1986
- b. Company was incorporated to achieve objectives of joint venture agreement entered on 14th May 1987 amongst Maruti Udyog Limited (now Maruti Suzuki India Limited) , Suzuki Motor Corporation , Japan and Jindal's. Company continue to flourish with full support of its partners and agreement subsists till date .
- c. Maruti Udyog Limited , allotted on 10.11.1986 land admeasuring 7800 sq meters on 33 years lease in their premises for factory building at Gurgaon.
- d. Company set up an injection moulding plant at Maruti Joint Venture Complex with two large size injection moulding machines of 1300 ton and 2200 tons from JSW .
- e. Plant was inaugurated by Shri J Vengala Rao, the then Hon'ble Union Minister of Industries on 28.11.1987 and plant started commercial production in January 1988. Mr. Krishnamurthy , then Chairman of Maruti Udyog Limited and Mr. R C Bhargava played a pivotal role in setting up of the factory of the company. Company was set up to cater to Bumper, Instrument Panel and Grills requirements of Maruti Udyog Limited. Later on many valuable contributions were made by various MUL officials like Mr. S Maitra, Dr. K Kumar and Mr. G C Dwivedi, to name a few.
- f. The project was well supported by The Bank of Tokyo Limited for working capital and the financial institution consortium led by IFCI for term lending.
- g. Company issued shares to the public in 1989 and company's shares got listed on Delhi, Bombay and Calcutta stock exchanges, making wider public participation possible.
- h. Company declared dividend for the year 1990-91 and has kept an unbroken record of dividend payment since then.
- i. Mr. O Suzuki, then President , Suzuki Motor Corporation was kind enough to personally visit company's plant at Gurgaon in 2000, emphasizing need for modernization and expansion.
- j. Your company issued bonus shares in the ratio of 1:1 in the year 2002-03 to reward the shareholders beside regular dividends.



- k. Company expanded the capacities regularly for meeting ever increasing requirements of MUL. 1st such expansion took place in 1990 when company added one more UBE 1600 ton machine. Thereafter company kept on adding capacities by adding injection moulding machines at its Gurgaon Plant. Now company has 10 large size injection moulding machines in Gurgaon Plant and largest being of 3150 Ton clamping force.
- l. Company set up a compounding unit in 1995-96 for its captive consumption of raw material which was hived off to a separate company.
- m. In another major expansion company set up a new plant on 4 acre free hold land from HSIIDC in Manesar in 2008-09. This plant of the company has 24 injection moulding machines of wide range of sizes from 120 tons to 2500 tons.
- n. Company was started with an installed capacity of 1500 tons in 1987 which now is about 15000 tons. 7 more injection moulding machines of different sizes have been ordered for Manesar plant of your company.
- o. On quality front company obtained prestigious certifications for ISO 14001, OHSAS 18001, TS 16948
- p. The company is expected to cross turnover of Rs.200 crore in 2011-12 grown from the turnover of Rs.2.5 crore for the first operating year of January- June 1988.
- q. This journey was not possible without the continuous efforts of Dr. Sanjiiv Jindal, the Managing Director.
- r. As the time passed, the company is now supported by Mr. Aditya Jindal, Vice President, who is very actively involved with the management of the affairs of the company.



In the end, I am wishing you and your families a happy time ahead and the management good luck for the challenging times ahead.

Murli Dhar Jindal
Chairman

Notice of Annual General Meeting

Notice is hereby given that the 26th Annual General Meeting of the members of M/s Machino Plastics Limited will be held on Friday, the 29th July, 2011, at 10.30 a.m. 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, 2011 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 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.
4.
 - i) To appoint a director in place of Mr. M D Jindal who retires by rotation and being eligible offers himself for re-appointment
 - ii) To appoint a director in place of Mr. A K Tomer who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS

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

“RESOLVED THAT Mr. G C Dwivedi who was appointed as an additional director 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”

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

“RESOLVED THAT Mr. S. Balasubramanian who was appointed as an additional director 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 a special resolution:

“RESOLVED THAT pursuant to the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956, the borrowing power of the Company be and is hereby increased from Rs. 100 Crore to Rs. 200 Crore.

RESOLVED FURTHER THAT the consent of the Company be and is hereby accorded in favour of the Board of Directors to borrow moneys from time to time upto the limit not exceeding Rs. 200 Crore (Rupees Two Hundred Crores Only) notwithstanding that the moneys to be borrowed together with moneys already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in ordinary course of business) exceed the aggregate of paid up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.



RESOLVED FURTHER THAT Dr. Sanjiivv Jindall, Managing Director of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary, desirable and / or expedient to give effect to the above resolution.”

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 provisions of section 293(1)(e) of the Companies Act, 1956 and other applicable provisions, if any, the board of directors of the company be and is hereby authorized to contribute in a financial year to charitable and other funds or general charities or other purposes not directly relating to the business of the company or the welfare of its employees to the extent of Rs. 50,00,000 or 5% of net profit as determined in accordance with the provisions of the Companies Act, 1956, whichever is higher.”

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 provisions of Section 314 of the Companies Act, 1956 and subject to approval of the Central Government, if applicable, and other applicable provisions, consent of the company be and is hereby accorded to appoint for any number of years M/s Goel Garg & Co., to hold an office or place of profit as the auditors of the Company at a remuneration not exceeding Rs. 2,50,000/- per month or Rs. 30,00,000/- per annum or as may be prescribed by Companies Act, 1956 and other applicable laws from time to time and approved by the Board”

10. 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 Section 314(1B) 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 increase the remuneration of Mr. Aditya Jindal son of Dr. Sanjiivv Jindall, Managing director of the Company from Rs. 49,500/- to such an amount as the Board of Directors may decide subject to maximum of Rs. 2,50,000 or such other amount as may be revised by Central Government from time to time.”

11. 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 Section 314(1B) 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 Mrs. Sarita Jindal, wife of Mr. Sanjiivv Jindall, Managing Director of the Company to hold an office or place of profit as an Executive Director of the Company not being a member of Board of the Company, at a monthly remuneration of Rs. 49, 500/- or such other amount as may be revised by Central Government from time to time and approved by the Board from the date of her appointment in the Company.

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 from 27th July, 2011 to 29th July, 2011, 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 Saving Account (SA) or Current Account (CA)

Bank account Number

8. Members who hold shares in dematerialized 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 any 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 of 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, 2003 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 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, 2004 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.

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 dematerialize form. Shareholders are requested to convert their shares in Demat format at the earliest possible.
14. Members are requested to quote their Demat account / folio no. in all correspondence with the company.
15. 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.

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

Explanatory Statement to item No. 5

Mr. G C Dwivedi was appointed as an additional Director of the Company by the Board of Directors of the Company in its meeting held on 15th February, 2011. According to the provisions of Section 260 of the Companies Act, 1956, he holds the office up till 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. G C Dwivedi as a candidate for the office of director.

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 in the field of engineering and management.

He served as:

- General Manager (Marketing & Sales)-Strategic Advisor with Maruti Suzuki Ltd.
- General Manager (New Business Division)-Pre owned cars and Leasing and Fleet Management-Insurance etc. with Maruti Udyog Limited
- General Manager (Spare parts & Accessories Division)-head of Profit Center with Maruti Udyog Limited.
- Worked in Vendor Development/ Materials Management/ Production, Planning and Control Management with Maruti Udyog Limited
- Worked with BPCL/ NTPC in the field of Project Management/ Project Engineering.

None of the Directors except Mr. G. C. Dwivedi himself is interested in the resolution.

Shareholders are requested to pass the resolution.

Explanatory Statement to item No. 6

Mr. S. Balasubramanian was appointed as an additional Director of the Company by the Board of Directors of the Company in its meeting held on 28th May, 2011. According to the provisions of Section 260 of the Companies Act, 1956, he holds the office up till 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. S. Balasubramanian as a candidate for the office of director.

Mr. S. Balasubramanian is a L.L.B from Delhi University and associate member of The Institute of Chartered Accountants of India, The Institute of Company Secretaries of India and The Institute of Cost and Works Accountants of India. He is a Post Graduate in Management Accountancy of the Institute of Chartered Accountant of India and a Post Graduate Diploma holder in Project Management from University of Bradford (UK).

Mr. S. Balasubramanian is a member of Delhi High Court Bar Council. He has over 18 years of experience in the Company Law Board as a member, the Vice President including 12 years as Chairman. He was the Director in charge of Public Grievances & Pension at Department of Post. At Indian Telephone Industries, Bangalore, he served as Chief Finance Manager in charge of entire corporate finance. At Department of Post, Ministry of Communication, he served in various capacities in Gujarat, Tamil Nadu & Maharashtra Circles and at New Delhi.

Explanatory Statement to item No. 7

Presently the Board of Directors of the Company has been authorized to borrow upto an amount of Rs 100 crores (Rupees One hundred crores only). Since the Company has plans and is going for the implementation of the various expansion projects and considering increase in operations, it is envisaged that the Company may need to borrow the amount which may exceed the above said limit of Rs. 100 crores. It is, therefore, proposed to increase the borrowing power of the Company upto Rs 200 crores (Rupees Two Hundred crores only). Under Section 293(1)(d) of the Companies Act, 1956 for borrowings of more than paid up capital and free reserves, the approval of shareholders is required. Hence, the Board recommends the resolution for your approval.

None of Directors is personally interested in the resolution.

Explanatory Statement to item No. 8

At the Annual General Meeting of the company held on 11th August 2000, a resolution was passed by the share holders authorizing the Board of Directors of the company to contribute to charitable and other funds or general charities or other purposes not directly relating to the business of the company or the welfare of its employees from time to time in each financial year to the extent of Rs. 15,00,000/- or 5% of its net profit,

as determined in accordance with the provisions of Companies act, 1956, whichever is greater.

Company intends to increase limit to Rs. 50,00,000/-.

Thus the consent of the members under section 293(1)(e) of the Companies act, 1956 and other applicable provisions, if any, of the Companies act, 1956 is sought to enable the Board of Directors to donate money in excess of the prescribed limit.

Explanatory Statement to item No. 9

The auditors have informed that one of their partners is a relative of Mr. M D Jindall, Chairman of the Company. It is proposed to appoint M/s Goel Garg & Co. from time to time as the auditors of the Company at remuneration as decided by the Board of Directors. The Board of Director is also being authorized to fix the remuneration from time to time subject to maximum of Rs. 2, 50,000/- per month or Rs. 30,00,000 lacs per annum.

The shareholders are requested to pass the resolution.

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

Explanatory Statement to item No. 10

It is proposed to increase the remuneration of Mr. Aditya Jindal, son of Dr. Sanjiivv Jindall, Managing Director of the Company Rs. 49,500/- to such an amount as the Board of Directors decide subject to maximum of Rs. 2,50,000 or such other amount as may be revised by Central Government from time to time.

The shareholders are requested to pass the resolution

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

Explanatory Statement to item No. 11

The Board in its meeting dated 01.11.2010 has designated Mrs. Sarita Jindal wife of Dr. Sanjiivv Jindall as an Executive Director of the Company at remuneration of Rs 49,500/- per month. The Board of Director is being authorized to increase the remuneration from time to time subject to maximum of Rs. 2,50,000/- per month.

The shareholders are requested to pass the resolution.

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