

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

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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. Sanjiivv Jindall, 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.

- 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.

- 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

- 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