



WINDSOR MACHINES LIMITED

50TH
ANNUAL REPORT
2012 - 2013



Partnering progress since 1963

Board of Directors

Mr. K. C. Gupte - Executive Director
Mr. P. C. Kundalia
Mr. M. K. Arora
Mr. Jayant Thakur
Mr. Nirmal Gangwal (upto 12.3.2013)
Mr. Pushp Raj Singhvi
Mr. Shishir Dellel (w.e.f. 29.7.2013)

Company Secretary

Ms. Priti Patel

Auditors

Haribhakti & Co.
Chartered Accountants

Banker

YES Bank Ltd.

Registered Office

102/103, Dev Milan Co. Op. Housing
Society, Next to Tip Top Plaza,
L B S Road, Thane(w) - 400 604.

Corporate Office

Plot 5402-5403, Phase IV, GIDC,
Vatva, Ahmedabad-382 445.

Plant Location

- **Thane :**
Plot E-6, U2 Road,
Wagle Industrial Estate,
Thane - 400 604.
- **Vatva :**
Plot 5402-5403, Phase IV, GIDC,
Vatva, Ahmedabad-382 445.
- **Chhatral :**
Plot No.6 & 7, GIDC Ind. Estate,
Chhatral Tal. Kalol,
Dist. Gandhinagar, Gujarat-382 729

Registrar & Transfer Agents

Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (w),
Mumbai - 400 078.
Tel. : 022 2594 6970
Fax : 022 2594 6969
Email : rnt.helpdesk@linkintime.co.in

CONTENTS..... Page

Notice	01
Directors' Report	04
Corporate Governance Report	09
Auditors' Certificate on Corporate Governance	20
Management Discussion & Analysis	21
Independent Auditors' Report & Annexure..	24
Balance Sheet	29
Statement of Profit & Loss	30
Cash Flow Statement	31
Notes	32

ANNUAL REPORT 2012 - 2013

50th Annual General Meeting

Date : September 25, 2013
Day : Wednesday
Time : 11.00 a.m.
Place : Thane Manufacturers' Association,
Plot No. 6, TMA House,
Main Road, Wagle Estate,
Thane (W) - 400 604

NOTICE

NOTICE is hereby given that the 50th Annual General Meeting of the Members of WINDSOR MACHINES LIMITED will be held at the Thane Manufacturers' Association, Plot No. 6, TMA House, Main Road, Wagle Estate, Thane (W) – 400 604 on Wednesday, September 25, 2013 at 11:00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2013 and the Statement of Profit and Loss for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Pushp Raj Singhvi who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint auditors to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

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

“RESOLVED THAT Mr. Shishir Dalal, who was appointed as an Additional Director with effect from July 29, 2013 in terms of section 260 of the Companies Act, 1956 read with Article no. 119 of the Articles of Association of the Company and who holds office upto the date of ensuing Annual General Meeting of the company, be and is hereby appointed as a Director of the Company, liable to retirement by rotation.”

By Order of the Board of Directors,

Registered Office:
102/103, Devmilan Co. Op. Housing Society,
Next to Tip Top Plaza,
L B S Road,
Thane (w) – 400 604

Priti Patel
Company Secretary

Date: August 12, 2013

**EXPLANATORY STATEMENT
(PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.)**

ITEM NO. 4

Mr. Shishir Dalal was appointed as an Additional Director of the Company with effect from July 29, 2013, in terms of section 260 of the Companies Act, 1956 read with Article no. 119 of the Articles of Association of the Company, holds office only upto the date of the forthcoming Annual General Meeting.

Mr. Shishir Dalal is 57 years old. He is a qualified Chartered Accountant. He has vast experience in Corporate Consultancy and his appointment would benefit the Company through his knowledge and experience.

Your Directors recommend the resolution set out in the Notice for your approval.

Notice pursuant to Section 257 of the Companies Act, 1956, has been received from a Member, signifying his intention to propose the appointment of Mr. Shishir Dalal. This may also be treated as individual notice to the Members of his candidature, pursuant to Section 257 (1A) of the Companies Act, 1956.

None of the Directors other than Mr. Shishir Dalal are, in any way, concerned or interested or deemed to be concerned or interested in passing of the said resolution.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the company not later than 48 hours before the meeting.
3. **Pursuant to Section 154 of the Companies Act, 1956, the Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 18, 2013 to Wednesday, September 25, 2013 (both days inclusive).**
4. Members desirous of obtaining any information in respect of Accounts and Operations of the Company are requested to write to the Company at least one week before the meeting, to enable the Company to make available the required information at the meeting.
5. Members are requested to notify immediately any change in address to the Registrars at the following address: M/s. Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (w), Mumbai – 400 078.
6. Consequent upon the amendment of Section 205A and the insertion of 205C by the Companies (Amendment) Act, 1999 the amount remaining unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund (the Fund) set up by the Government of India and no payments can be made in respect of any such claims by the Fund.
7. As an austerity measure, copies of Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their own copies to the Meeting.

Details of the Directors seeking re-appointment and appointment :

Name of Director(s)	Mr. Pushp Raj Singhvi	Mr. Shishir Dalal
Date of Birth	January 1, 1944	May 29, 1956
Date of appointment	March 30, 2011	July 29, 2013
Qualifications	B.Com, L.L.B	B. Com, FCA
Experience in special functional areas	He is Bachelor of Commerce and Law Graduate. He has very deep rooted professional interest in the polymer industry. In the entire polymer Industry in India, he is amongst a very few professionals having in-depth knowledge and association of over 40 years in all functional areas of marketing including field sales, Product Management, Regional Sales, Application Development, Product Development, Distribution and Logistics, Perspective Planning and many more.	He is a qualified Chartered Accountant. He has wide experience in the field of Corporate Law, Taxation, Finance etc.
Chairman/Director of other Companies	<ul style="list-style-type: none"> - Borouge (India) Private Limited. - Plasti Blends India Ltd. - Shaily Engineering Plastics Limited. 	<ul style="list-style-type: none"> - OCB Oilfield Services FZCO, Dubai Airport Zone, U.A.E. - Offshore Logistics Services Holdings Limited, Grand Cayman Islands. - Intertrust Corporate Services (Cayman) Limited, Grand Cayman Islands - Imagine Real Indo-German Real Estate & Business Solutions Private Limited. - Sustainable Agro-Commercial Finance Limited.
Chairman/Member of Committees of the Board of Companies of which he is a Director.	Windsor Machines Ltd. <ul style="list-style-type: none"> - Audit Committee - Member - Remuneration Committee - Member. Plastiblends India Limited <ul style="list-style-type: none"> - Audit Committee - Member Shaily Engineering Plastics Ltd. <ul style="list-style-type: none"> - Remuneration Committee - Member. 	Windsor Machines Ltd. <ul style="list-style-type: none"> - Audit Committee - Chairman - Remuneration Committee - Chairman
No of Shares of the Company	Nil	Nil

DIRECTORS' REPORT

Dear Members,

Your Directors present the 50th Annual Report together with the audited accounts of the Company for the financial year ended March 31, 2013.

1. PERFORMANCE OF THE COMPANY :

1.1 RESULTS

	(₹ In lacs)	
FINANCIAL HIGHLIGHTS	2012-13	2011-12
Sales, Income from operations and other income net of excise.	22067.23	23365.78
Profit / (Loss) before Interest & Depreciation	1510.80	2043.33
Less : Interest and Financial expenses	215.28	282.22
Less : Depreciation	217.23	216.92
Profit / (Loss) before Extra Ordinary items and tax	1078.29	1544.19
Extra Ordinary Items (net)	-	-
Profit / (Loss) before Tax	1078.29	1544.19
Add/(Less) : Deferred Tax	-	(400.78)
Provision for Taxation	-	-
Profit / (Loss) after Tax	1078.29	1143.41
Add : Balance brought forward from previous year	903.96	(239.45)
Balance carried to Balance Sheet	1982.25	903.96

1.2 DIVIDEND :

In order to conserve the resources, your Directors do not recommend payment of any dividend for the year.

2. OPERATIONS:

During the year under review, your Company has sold 436 machines to achieve turnover of ₹ 214.48 crores as compared to 489 machines in the previous year with a turnover of ₹ 219.35 crores. During the year, sales and profit of the Company have been affected by adverse market condition. During the year your Company has extended its customer base by launching machines for special applications and concentrated in launching new product range.

Your Directors are confident of continuing the profitable working in the current year also, although there are challenges for the industry in view of its cyclical nature. The operations of the Thane unit of the Company continue to remain closed. Further details are given in management discussions and analysis report, which forms part of this report.

3. BUSINESS OUTLOOK :

The current market scenario is challenging. Scarcity of power in some parts of the country, forced customers to defer their expansion plans and new project investments which ultimately resulted in lower orders and delays in lifting of finished machines.

However your Company's endeavour is to increase its product range, expand customer base, reduce product costs and improve quality of the offerings. Various initiatives to address these concerns have been taken by the management and are in the process of implementation. Management of your Company is optimistic and prepares itself to face the challenges of the future.

4. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirements under Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- i. that in the preparation of the annual accounts for the financial year ended March 31, 2013 the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that year under review;
- iii. that the Directors have taken proper and sufficient care 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;
- iv. that the Directors have prepared the accounts for the financial year ending March 31, 2013 on 'going concern' basis.

5. INCORPORATION OF WHOLLY OWNED SUBSIDIARY :

After closure of the year, the Company has incorporated a Wholly Owned Subsidiary (WOS) namely "Wintech B.V." in Netherland on 10th April, 2013 for business/investment purpose(s) and invested ₹ 462.55 lacs.

6. CORPORATE GOVERNANCE:

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Management Discussion and Analysis, Corporate Governance Report and Auditors' Certificate regarding compliance of conditions of Corporate Governance, are made a part of the Annual Report.

7. INSURANCE :

All the assets of your Company including buildings, machineries, fixtures, other fixed assets, stocks - raw materials, WIP, finished goods, etc. have been adequately insured.

8. DEPOSITORY :

As the members are aware, your Company's shares are tradable compulsorily in electronic form and your Company has established connectivity with both the depositories i.e. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd., (CDSL). In view of the numerous advantages offered by the Depository system, members are requested to avail of the facility of dematerialisation of the Company's shares on either of the Depositories as aforesaid.

9. ENVIRONMENT PROTECTION :

The Company has been complying with the requirements of the Pollution Control Regulations in the state of Gujarat.

10. PUBLIC DEPOSITS :

The Company, during the year under review, has not accepted nor renewed any deposits from public, under the Companies (Acceptance of Deposits) Rules, 1975. The Company had no unclaimed/overdue deposits as on March 31, 2013.

11. DIRECTORS :

As per the provisions of the Companies Act, 1956, Mr. Pushp Raj Singhvi, Director of the Company is liable to retire by rotation and being eligible, offer himself for re-appointment at the ensuing Annual General Meeting.

12. AUDITORS :

The Auditors M/s. Haribhakti & Co., Chartered Accountants, Statutory Auditors of your Company, hold office until the conclusion of the ensuing Annual General Meeting and being eligible have expressed their willingness to continue, if so appointed.

13. COST AUDIT :

M/s. Dalwadi & Associates, Cost Accountants, have been appointed to conduct cost audit for the year ended March 31, 2014.

14. STATUTORY DISCLOSURES :

- a. Particulars to be disclosed as per the provisions of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given in the Annexure, which forms part of the report.
- b. As there are no employees drawing remuneration more than the limit prescribed under Section 217(2A) of the Companies Act, 1956, and the Companies (Particulars of Employees) Rules, 1975, as amended, from time to time, statement under section 217(2A) is not required.

15. ACKNOWLEDGEMENT:

The Directors wish to place on record their appreciation of wholehearted support received from all stakeholders, customers and the various departments of Central and State Governments, financial institutions and banker(s) of the Company. The Directors also wish to place on record their sense of appreciation for devoted services of all the employees of the Company.

For and on behalf of the Board of Directors

Place : Mumbai
Date : May 30, 2013

K. C. Gupte
Executive Director

P. C. Kundalia
Director

ANNEXURE TO THE DIRECTORS' REPORT

PARTICULARS REQUIRED TO BE DISCLOSED AS PER THE PROVISIONS OF THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

A. CONSERVATION OF ENERGY :

Measures taken :

Product development in injection moulding machinery division to be more energy efficient than competition. Speed Series extruders developed by EMD is highest energy efficient in Indian Market.

B. TECHNOLOGY ABSORPTION :

1. The Company has approval from the Department of Scientific and Industrial Research for its R & D units at its factories in Vatva and Chhatral. During the year the specific activities of interest are :

a) INJECTION MOULDING MACHINE DIVISION :

- 1) Design and Development of more Energy Efficient machines with design optimization - Armour higher tonnage machine up to 900T & Two colour machine up to 900T.
- 2) Design and Development of segment specific machine like Automobile, PET, Irrigation, CPVC , Packaging Industries.
- 3) Design and Development of further models of Sprint & Armour series for multi colour machines.

b) EXTRUSION & BLOW MOULDING DIVISIONS :

- 1) Design and Development of 630 mm HDPE pipe line for ducting application.
- 2) Development of profile line for PE.
- 3) Development of high output lines for plunking application for both PE & PPR.
- 4) Development of round drip lines, successfully computed.

2. R & D activity for the future includes :

a) INJECTION MOULDING DIVISION :

- 1) Design and Development of New series machines with respect to market needs.
- 2) Design and Development of 2 - Platen machines.

b) EXTRUSION & BLOW MOULDING DIVISIONS :

- 1) Design and Development of Flat DRIP lines with foreign tie up.
- 2) Swarfless cutting Machine for PE/PP, MPR.
- 3) Extrusion Coating lines for packaging application.

3. Technology Absorption, Adaptation and Innovation :

a) Inputs taken for technology absorption and innovation from :

- National and International Exhibitions.
- Collaborative relationship with technological partner/suppliers.

b) Benefits derived as a result of the above efforts

- World class standard in product quality
- Better customer orientation
- Enhanced product range

4. Expenditure on R & D

₹ in lacs

Particulars	2012-13	2011-12
a. Capital Expenditure	-	-
b. Recurring Expenditure	52.94	55.88
Total	52.94	55.88

Total R & D Expenditure works out to 0.25 % (previous year 0.25 %) of the turnover (net of excise duty) of the Company.

C. FOREIGN EXCHANGE EARNED AND USED.

Total foreign exchange used and earned during the year :

Amount (₹ In Lacs)

Used	2,583.73
Earned	5,044.23

For and on behalf of the Board of Directors

Place : Mumbai
Date : May 30, 2013

K. C. Gupte
Executive Director

P. C. Kundalia
Director