MACHINO PLASTICS LIMITED

34rd ANNUAL REPORT 2018-19

Five years financial performance highlights

Amount in INR

Sr #	Particulars	Financial Year ending 31st March				
		2018-19	2017-18	2016-17	2015-16	2014-15
1	Total Income (Net of Taxes)	3,033,674,092	3,062,094,330	2,595,068,157	2,047,814,276	1,968,263,579
2	Earning before Interest, Tax, Depreciation & Amortization	261,089,724	281,176,836	265,965,019	199,731,034	185,612,628
3	Depreciation and amortization	194,455,570	190,707,632	129,242,501	125,825,613	113,483,460
4	Profit before tax	1,159,859	17,757,359	96,231,176	50,654,018	18,596,338
5	Profit after tax	4,077,060	48,028,690	47,551,416	13,875,042	-4,563,498
6	Cash EPS (PAT+Dep) / No. of Shares	32.35	38.90	28.81	22.76	17.75
7	Earning per share of Rs 10 each	0.66	7.83	7.75	2.26	3.77
8	Equity (61,36,800 shares of Rs 10 each)	61,368,000	61,368,000	61,368,000	61,368,000	61,368,000
9	Reserves (excluding revaluation reserve)	452,055,719	454,306,204	420,422,836	379,778,443	372,684,272
10	Share Holder Funds (7+8)	513,423,719	515,674,204	481,790,836	441,146,443	434,052,272
11	Gross Block (Including CWIP & Intangible assets)	3,733,104,966	3,342,744,667	3,268,557,212	2,597,363,390	2,584,904,596
12	Book Value per equity shares of Rs 10 each	83.66	84.03	78.51	71.89	70.73

CORPORATE INFORMATION

BOARD OF DIRECTORS

M. D. Jindal	Chairman Emeritus (Expired on 13/01/2019)
Sanjiivv Jindall	Chairman cum Managing Director
Aditya Jindal	Executive Director cum Chief Financial Officer
Kazunari Yamaguchi	Director (Representative of Suzuki Motor Corporation, Japan)
A.K. Tomer	Director (Representative of Maruti Suzuki India Ltd)
R. Krishnan	Independent Director (Resigned on 27/03/2019)
R.L.Gaggar	Independent Director (Upto 31/03/2019)
S. Balasubramanian	Independent Director (Upto 31/03/2019)
Anupam Gupta	Independent Woman Director
Ajit Yadav	Additional and Independent Director (w.e.f. 23rd May, 2019)
Dr. Sandeep Goel	Additional and Independent Director (w.e.f. 30th May, 2019)
Rajiv Kumar Singh	Additional and Independent Director (w.e.f. 30th May, 2019)

BANKERS

Allahabad Bank
Ground Floor, 17, Parliament Street, New Delhi - 110001

Axis Bank Limited
DLF Branch, Gurgaon

HDFC Bank Limited
Enkay Towers, B-1, Phase-V, Vanijya Kunj, Udyog Vihar, Gurgaon - 122001

Kotak Mahindra Bank Limited
Asset Area 9, Ist Floor, IBIS Commercial Block, Hospitality District, New Delhi

Tata Capital Financial Services Limited
7th Floor, Videocon Tower, Block E 1, Jhandewalan Extension, New Delhi -110055

Yes Bank Limited
Ground Floor, SCO 27, Sector 14, Huda Market, Gurgaon

STATUTORY AUDITOR FOR FY 2018-19

KMGS & Associates
Chartered Accountants
B-138, Navakaar Building,
2nd Floor, Mohammadpur,
Bhikaji Cama Place,
New Delhi-110066

SECRETARIAL AUDITOR FOR FY 2018-19

A K & Associates
Company Secretary,
B-14, Vasant Kunj Enclave,
New Delhi-110070

INTERNAL AUDITOR FOR FY 2018-19

Goel Garg & Co.
Chartered Accountants
18, National Park, Lajpat Nagar,
New Delhi 110024

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
E-mail: sec.legal@machino.com

SHARE TRANSFER AGENT

(For Demat & Physical Purpose)
Alankit Assignments Limited
3E/7, Jhandewalan Extension, New Delhi -110055
Ph: 011-42541234, Fax: 011-23552001
Email: alankit@alankit.com

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34th Annual General Meeting on Wednesday, the 7th August, 2019 at 10:30a.m. 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 34th Annual General Meeting of the members of M/s Machino Plastics Limited will be held on Wednesday, the 7th August, 2019, at 10:30 a.m. at GIA House, IDC Opp. - Sector-14, Mehrauli Road, Gurgaon-122001 (Haryana), to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2019, Profit and Loss Account and Cash Flow Statement for the year ended on that date and report of auditors and directors thereon and to pass the following resolution as an Ordinary Resolution:.

   "**RESOLVED THAT** financial statements of the company as on 31st March, 2019 which includes the Balance Sheet as on 31st March, 2019, Profit and Loss Account and Cash Flow Statement of the company for the financial year 2018-19 along with the Directors' Report and Auditors' Report thereon be and is hereby received, considered, approved and adopted."

2. Declaration of dividend on equity shares: To consider and, if thought fit, to pass following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** dividend @ 10% for the financial year ended on 31.03.2019 being Re. 1/- on the equity shares of Rs. 10/- each to be paid to:

   a. Those members whose names appear on the register of members of the company on 7th August, 2019; and

   b. Those whose names appear as beneficial owners as at the close of business on 7th August, 2019, as per the details to be furnished by National Securities Depositories Limited and Central Depositories Services (India) Limited."

3. To appoint a director in place of Mr. Kazunari Yamaguchi who retires by rotation and being eligible offers himself for re-appointment.

4 To appoint a director in place of Mr. Aditya Jindal 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 a Special Resolution:

   "**RESOLVED THAT** pursuant to section 149, 152 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder and any other laws in force read with schedule IV of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations and other applicable provisions, if any, Mr. Ajit Yadav be and is hereby appointed as an Independent Director on the Board of the Company for the period of five consecutive years w.e.f 23rd May, 2019, not liable to retire by rotation."

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

   "**RESOLVED THAT** pursuant to section 149, 152 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder and any other laws in force read with schedule IV of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations and other applicable provisions, if any, Mr. Rajiv Kumar Singh be and is hereby appointed as an Independent Director on the Board of the Company for the period of five consecutive years w.e.f 30th May, 2019, not 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 section 149, 152 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder and any other laws in force read with schedule IV of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations and other applicable provisions, if any, Dr. Sandeep Goel be and is hereby appointed as an Independent Director on the Board of the Company for the period of five consecutive years w.e.f 30th May, 2019, not liable to retire by rotation."

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

   "**RESOLVED THAT** pursuant to the provision of section 188 of the Companies Act, 2013("Act") read with the Companies (Meeting of the Board and its Powers) Rules, 2014, Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015, Policy on materiality of related parties' transaction and all other Act and Rules for the time being in force as may be applicable on the company, the approval of the members be and is hereby accorded for such related parties transactions as requiring company approval for the purchase/sale of goods or services, advances resulting in debit or credit balances in the books of the company for an annual sum of Rs. 50 crore in case of Suzuki Motor Gujarat Private Ltd. for the year 2018-19, 2019-20 and each of subsequent years and for others up to 200% of total value of transaction made during the financial year 2018-19 for the year 2019-20 and each of the succeeding years, unless specified differently, elsewhere and that this approval covers all such approvals as may be required under Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such laws and regulations as may be applicable to the company for the financial year 2018-19, 2019-20 and thereafter for each financial year.

DETAILS OF RELATED PARTY TRANSACTIONS FOR THE YEAR ENDED 31ST MARCH 2019

NAME OF RELATED PARTY	NATURE OF TRANSACTION	Amount (Rs.) (2018-19)	Amount(Rs.) (2019-20)
RECEIVABLES			
Maruti Suzuki India Limited	Sale of Goods/Moulds	3,342,709,914	6,685,419,828
Suzuki Motor Gujrat Pvt. Ltd.	Sale of Goods	56,190,213	50,00,00,000
Suzuki Motor Cycles India Private Limited	Sale of Goods	2,814,925	56,29,850
Grandmaastters Mold Limited	Sale of Raw Material	603,256	12,06,512
PAYABLES			
Machino Polymers Limited	Purchase of Raw Materials	891,753,560	1,78,35,07,120
Grandmaastters Mold Limited	Purchase of material/Job Changes	17,590,907	3,51,81,814
Maruti Suzuki India Limited	Payment of cash discount	75,297	1,50,594
Maruti Suzuki India Limited	GST (on FOC material)	2,248,769	44,97,538
Mr. Sanjiivv Jindall	Remuneration	7,320,000	1,46,40,000
Ms. Sarita Jindal	Remuneration	594,000	11,88,000
Mr. Aditya Jindal	Remuneration	6,588,000	1,31,76,000
Mr. Surya Kant Agrawal	Remuneration	4,709,548	9419096
Maruti Suzuki India, Suzuki Motor Corporation and other Promoters	Dividend	4,512,109	90,24,218

By order of the Board of Directors

Sd/-
Sanjiivv Jindall
Chairman cum Managing Director
DIN: 00017902

Place : Gurugram
Date : 30th May, 2019

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.

   A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. A member holding more than 10 (ten) percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and same person shall not act as proxy for any other person or shareholder.

   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. A proxy does not have the right to speak at the meeting and can vote only on a poll.

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 entitles 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 7th August, 2019.

7. All unclaimed dividend declared up to the financial year ended March 31, 2011 have been transferred to the Investor Education and Protection fund established under Section 125C of Companies Act, 2013 read with The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. 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-110019.

   Further, your company has not declared any dividend during Financial Year 2011-12.

   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.

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, 3E/7, 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 or their respective depository participant.

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, and 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 Heights, 3E/7 Jhandewalan Extension, New Delhi, 110055 at alankit@alankit.com or with Machino Plastics Ltd. at sec.legal@machino.com so that dividend can be remitted to the credit of their bank account through ECS facility, provided such facility is available in your locality.

14. **Voting through electronic means**

I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, read with Secretarial Standard on General Meetings, the Company is pleased to provide members' facility to exercise their right to vote on resolutions proposed to be considered at the 34th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting ("AGM") ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

IV. The remote e-voting period commences on 4th August, 2019 and ends on 6th August, 2019. During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date on 31st July, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.

V. The process and manner for remote e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :

1. Open email and open PDF file viz; "**Machino Plastics Limited remote e-voting.pdf**" with your Client ID (In case you are holding shares in demat mode) or Folio No. (In case you are holding shares in physical mode) as password. The said PDF file contains your user ID and password for remote e-voting. Please note that the password is an initial password.
2. Launch internet browser by typing the following URL: https://www.evoting.nsdl.com/
3. Click on Shareholder - Login
4. Put user ID and password as initial password noted in step (i) above. Click Login.
5. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
6. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
7. Select "EVEN" of "Machino Plastics Limited".

   Note: e-voting shall not be allowed beyond said time.
8. Now you are ready for remote e-voting as Cast Vote page opens.
9. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
10. Upon confirmation, the message "Vote cast successfully" will be displayed.
11. Once you have voted on the resolution, you will not be allowed to modify your vote.

12. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to atimakhanna@gmail.com with a copy marked to evoting@nsdl.co.in

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN (Remote e-voting Event Number)

USER ID

PASSWORD/PIN

(ii) Please follow all steps from Sl. No. 1 to Sl. No. 12 above, to cast vote.

VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date on 31st July, 2019.

X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 31st July, 2019, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or jksingla@alankit.com

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

XIII. Ms. Atima Khanna, Practicing Company Secretary, Proprietor of M/s. A. K. & Associates, has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XVI. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.machino.com immediately and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

Explanatory Statement to item no. 5

Mr. Ajit Yadav is a solicitor of England & Wales, Company Secretary and Advocate of Hon'ble Supreme Court of India. He is an accomplished corporate professional and has been a member of Executive teams / Board of Directors of reputed organizations and holds more than thirty years of rich and diverse experience. He is known for his capabilities as a business lawyer and for using law as an enabler function to provide efficient solutions to business legal issues.

He has done significant work in substantive areas of law such as corporate law, central excise/indirect tax, competition laws, transactional laws, Labor laws , Food laws, IPRs, M&A , Transfer Pricing issues , export import regulations, capital market/fund raising, Power & Infrastructure laws and regulatory compliance areas for Indian and international businesses for manufacturing and service sector.

He has set up his own litigation practice and a law Firm-Lexaya Partners - a corporate, business law advisory and litigation law firm. He has been actively associated with Functional committees of reputed trade forums. He is a member of many committees of the Assocham, FICCI and USIBC and actively participates in their activities.

As per the provision of section 149 of the Companies Act, 2013 read with schedule IV of the Companies Act, 2013, an independent director is required to hold office for a term up to five consecutive years on the Board of the Company. The company has also received eligibility confirmation from Mr. Ajit Yadav.

In the opinion of the Board of your company, Mr. Ajit Yadav fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder and that the proposed director is independent of the management.

The shareholders are requested to pass the resolution.

None of the directors except Mr. Ajit Yadav himself is interested in the resolution.

Explanatory Statement to item no. 6

Mr. Rajiv Kumar Singh is a recognized expert on business valuation, banking, corporate finance and strategy, M&A and restructuring, forex risk management and internal controls. Rajiv uniquely blends his in-depth academic specialisation in valuation with his long years of practical exposure as consultant and trainer. Over the past twenty two years, he has carried out complex transactional valuation analyses, transfer pricing valuation, fair value measurement for IFRS/Ind-AS/NFRS/Singapore-FRS, valuation for FEMA, and intangible asset valuation. He has experience, serving as either an expert witness or consultant in array of valuation related to litigation including economic damages.

He has been retained and testified as an expert witness in India and abroad including the London Court of International Arbitration (LCIA), and ITAT in leading valuation cases relating to economic damages/transfer pricing. He has been actively working with leading law firms in India and USA in relation to valuation matters.

He consulted on a corporate restructuring plan that was a key facilitator in a complete turnaround of a leading PSU in construction industry which currently has "Navratana" status. He has served more than 200 valuation clients in India, USA, UK, Singapore, Hong Kong, China, Mauritius, Nepal and Dubai, and is frequently retained in complex valuation disputes. He has also provided consulting services to FOREX dealing room/treasury of leading banks and corporates.

Rajiv contributed significantly in developing the first Business Valuation Standards in India issued by the ICAI in 2010, and designing and delivering the first valuation course of the ICAI and the ICSI. He was a member of the Accounting Standards Board of the ICAI for development of IndAS-113 (Fair Value Measurement). He has also contributed significantly in designing and delivering the first Forex and Treasury Management course and Master of Business Finance course of the ICAI.

Rajiv is a fellow member of the ICAI. He is on the Board of Union bank of India and is chairman of the Audit Committee of the Board. He is a qualified Certified Information system auditor (USA), a qualified valuer from the ICAI and a registered valuer with IBBI. He cherished his role as the first Joint Technical Director and Visiting Professor of Valuation and Masters in Business Finance courses of the ICAI. Since 2008, he has trained more than 5000 Chartered Accountants/Company Secretaries/ MBAs in India and Nepal. He trains summer interns/start-up entrepreneurs from IIMs/IIT Delhi/ IIT Roorkee/IFMR/ TAPMI/Narsee Monjee on a regular basis in business valuation area. His approach to teaching and training is structured and practical.

Rajiv has presented, instructed and written on topics related to valuation, banking and corporate finance. He has been a speaker in more than 700 seminars and training programs on valuation, banking and finance related topics at different professional/industry platforms including ICAI, ICSI, IICA, ICAN, VGSOM (IIT KGP), IIT Roorkee, IIT Delhi, ASSOCHAM, PHD Chambers and other similar forums.

As per the provision of section 149 of the Companies Act, 2013 read with schedule IV of the Companies Act,

2013, an independent director is required to hold office for a term up to five consecutive years on the Board of the Company. The company has also received eligibility confirmation from Mr. Rajiv Kumar Singh.

In the opinion of the Board of your company, Mr. Rajiv Kumar Singh fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder and that the proposed director is independent of the management.

The shareholders are requested to pass the resolution.

None of the directors except Mr. Rajiv Kumar Singh himself is interested in the resolution.

Explanatory Statement to item no. 7

Dr. Sandeep Goel is an Associate Professor in the area of Accounting and Finance at Management Development Institute, Gurgaon.

He holds 'Double Doctorate', one in Finance; and another in Accounting from Faculty of Management Studies (FMS), University of Delhi. He did his Hons. in Commerce from Shri Ram College of Commerce¸ University of Delhi and Master's degree in Commerce with specialization in Finance from Department of Commerce, University of Delhi.

He has over 20 years of industry and academic experience in key positions in organizations/institutions, including Shri Ram Group, Delhi University and MDI. He also has hands on experience in the family business in business compliance and financial management functions. He is also a Visiting Professor to Faculty of Management, University of Lodz, Poland. He offers a unique and popular course, 'Forensic Accounting and Corporate Governance' to second year students of MBA at MDI.

He is a Management Trainer and Consultant to Organizations, like National Banking Institute (Nepal), UltraTech Cements, IGL, Cairns India, Encore, IOCL, SOS Village International, Bata, TIL, Ester Industries, BEL, LIC, Armed Forces, Jindal, and ONGC. He has conducted & delivered over 200 MDPs/Training Programs at senior levels for organizations. These mainly include, Finance for Non-Finance Executives, Independent Director's and Corporate Governance, and Enhancing Financial Skills Using Excel. He has executed a number of Consultancy assignments; the major ones include: Evaluation of Bid for Municipal Corporation Gurugram, Corporate Governance for IOCL, Financial Management of BATA, Accounting Application for SAP Professionals of Ester Industries, and Financial Leadership of TIL.

He has authored 10 books and published more than 75 research articles in national and international journals of repute. To name a few, Australian Accounting Review, Singapore Management Review, Journal of Financial Crime, Journal of Money Laundering Control, Australasian Accounting, Business and Finance Journal, and Vikalpa. His cases have been published by Ivey Publishing, Asia Case Research Centre, and Emerald Emerging Markets Case Studies.

His interest areas are: Financial Reporting and Analysis, Financial Management, Forensic Accounting and Corporate Governance. He has been the Financial Columnist to 'Purchase' (A Publication of Indian Purchase.com).

He has been conferred with Award for Excellence in Research, 2015-16 and Award for Excellence in Teaching, 2015-16.

As per the provision of section 149 of the Companies Act, 2013 read with schedule IV of the Companies Act, 2013, an independent director is required to hold office for a term up to five consecutive years on the Board of the Company. The company has also received eligibility confirmation from Dr. Sandeep Goel.

In the opinion of the Board of your company, Dr. Sandeep Goel fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder and that the proposed director is independent of the management.

The shareholders are requested to pass the resolution.

None of the directors except Dr. Sandeep Goel himself is interested in the resolution.

Explanatory Statement to item no. 8

With the notification from the Ministry of Corporate Affairs, the provisions related to section 188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 is applicable on your Company which requires the approval in the General Meeting of the Company for entering in to specified related parties transaction exceeding the prescribed threshold and not meeting exemption criteria.

Your company is mainly having the business with the following related parties:

Name – Maruti Suzuki India Limited, Suzuki Motor Corporation, Suzuki Motor Gujarat Private Limited, Grandmaastters Mold Limited and Machino Polymers Limited

Name of the director or key managerial personnel who are related to above names parties are –

- Mr. Sanjiivv Jindall, Chairman cum Managing Director of the company
- Mr. Aditya Jindal, Executive Director cum Chief Financial Officer of the company

- Mr. A K Tomer, Maruti Suzuki India Limited as a Nominee Director
- Mr. Kazunari Yamaguchi, Suzuki Motor Corporation as a Nominee Director
- Mr. R. L. Gaggar, Director of the Company

Nature of relationship- Maruti Suzuki India Limited and Suzuki Motor Corporation are associate company and your company is a joint venture company of Maruti Suzuki India Limited , Suzuki Motor Corporation and Jindal' since its inception

Machino Polymers Limited- is a promoter group company of your company's promoters.

Grandmaastters Mold Limited – is a promoter group company of your company's promoters.

Material term of entering to the transaction with the following related parties:

1. *Purchase of raw material by Machino Plastics Limited from Machino Polymers Limited*: Prices of raw material purchased form Machino Polymers Limited is settled by Maruti Suzuki India Limited and the same price is also approved for other vendors of Maruti Suzuki India Limited by MSIL.
2. *Sale of goods by Machino Plastics Limited to Maruti Suzuki India Limited*: The business is awarded to the vendor by following the bidding process and on the basis of best quotation received and on following the principle of cost, quality and delivery.
3. *Purchase of parts, moulds and conversion charges by Grandmaastters Mold Limited*: Your Company has adopted cost plus method. Grandmaastters Mold Limited provides parts, jobwork and moulds for the machinery as per the specifications provided by the unrelated original equipment supplier. The amount paid is as per purchase order where rates are assessed by such unrelated original equipment supplier.
4. Sale of goods by Machino Plastic Limited to Suzuki Motor Gujarat Private Limited: The business is awarded to the vendor by following the bidding process and on the basis of best quotation received and on following the principle of cost, quality and delivery.
5. Every transaction is executed on the basis of purchase orders received from either parties and the payment term is same as per the company policy for the rest of its vendors.
6. Except payment of dividend to Suzuki Motor Corporation there is no other material transaction with it, as it holds 15.35% of the share capital of the company. However company supplies auto parts to Suzuki Motorcycles India Private Limited and Suzuki Motor Gujarat Private Limited, group companies of Suzuki Motor Corporation.

Mr. Sanjiivv Jindall, Mr. R.L. Gaggar, Mr. A. K. Tomer, Mr. Kazunari Yamaguchi, and Mr. Aditya Jindal be deemed interested in their respective related party transactions.

Information to Shareholders in pursuance of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with reference to appointment/reappointment of directors)

Director	Brief Resume/ Nature of Expertise	Disclosure of Relationship between Directors	Hold Directorship in other Co's	Membership in Committee	Shares Held
Mr. Aditya Jindal	Mr. Aditya Jindal, the Executive Director cum Chief Financial Officer aged 32 years, has completed his Bachelor of Science in Chemical Engineering from University of Michigan, Ann Arbor.	Son of Mr. Sanjiivv Jindall, Chairman cum Managing Director	Machino Transport Pvt. Limited Grandmaastters Mold Limited Pranna Plastics Limited Machino Plastics Becharaji Limited	*Risk Management Committee Share Transfer Committee (Above mentioned membership is in Machino Plastics Limited) *Company has abolished Risk Management Committee in its board meeting held on 29th April, 2019.	6,49,401

Director	Brief Resume/ Nature of Expertise	Disclosure of Relationship between Directors	Hold Directorship in other Co's	Membership in Committee	Shares Held
Mr. Kazunari Yamaguchi	Mr. Kazunari Yamaguchi, aged 56 years, is Graduated from Department of Agricultural Engineering, Faculty of Agriculture, Kagoshima university in May 1986. He was appointed in the meeting of board of directors of the company held on 28th February, 2018 and he is not related to director, manager and key managerial personnel of the company. Being a nominee director of Suzuki Motor Corporation, he does not receive any sitting fee or remuneration from the company.	Not related to any director	Maruti Suzuki India Limited	Risk Management Committee. (Above mentioned membership is in Maruti Suzuki India Limited)	Nil
Mr. Ajit Yadav	Mr. Ajit Yadav aged 67 years, is a solicitor of England & Wales, Company Secretary and Advocate of Hon'ble Supreme Court of India. He is an accomplished corporate professional and has been a member of Executive teams / Board of Directors of reputed organizations and holds more than thirty years of rich and diverse experience. He was appointed in the meeting of board of directors of the company held on 23rd May, 2019 and he is not related to director, manager and key managerial personnel of the company.	Not related to any director	Healo Medicine Private Limited Lexaya Solutions Private Limited	Nil	Nil
Mr. Rajiv Kumar Singh	Mr. Rajiv Kumar Singh, aged 50 years, is a recognized expert on business valuation, banking, corporate finance and strategy, M&A and restructuring, forex risk management and internal controls. He has been retained and testified as an expert witness in India and abroad including the London Court of International Arbitration (LCIA), and ITAT in leading valuation cases relating to economic damages/transfer pricing. He has been actively working with leading law firms in India and USA in relation to valuation matters. Mr. Rajiv is a fellow member of the ICAI. He is on the Board of Union bank of India and is chairman of the Audit Committee of the Board. He is a qualified Certified Information system auditor (USA), a qualified valuer from the ICAI and a registered valuer with IBBI He was appointed in the meeting of board of directors of the company held on 30th May, 2019 and he is not related to director, manager and key managerial personnel of the company.	Not related to any director	Explico Consulting Pvt. Ltd. Union Bank of India	Audit Committee Stakeholders Relationship Committee Supervisory Committee on Risk Management & ALM Customer Service Committee Nomination Committee (Above mentioned membership is in Union Bank of India	Nil

Director	Brief Resume/ Nature of Expertise	Disclosure of Relationship between Directors	Hold Directorship in other Co's	Membership in Committee	Shares Held
Dr. Sandeep Goel	Dr. Sandeep Goel aged 44 years, is an Associate Professor in the area of Accounting and Finance at Management Development Institute, Gurgaon. He holds 'Double Doctorate', one in Finance; and another in Accounting from Faculty of Management Studies (FMS), University of Delhi. He did his Hons. in Commerce from Shri Ram College of Commerce, University of Delhi and Master's degree in Commerce with specialization in Finance from Department of Commerce, University of Delhi. He was appointed in the meeting of board of directors of the company held on 30th May, 2019 and he is not related to director, manager and key managerial personnel of the company.	Not related to any director	Nil	Nil	Nil

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IN THE FORTHCOMING ANNUAL GENERAL MEETING

(In pursuance of SEBI (LODR) Regulations, 2015 and Secretarial Standard-2))

Name of the Director	Mr. Aditya Jindal
DIN	01717507
Date of Birth & age	18.05.1987 and 32 years
Qualification	Bachelor of Science in Chemical Engineering from University of Michigan, Ann Arbor.
Experience and Expertise	He is Executive Director cum CFO of the company; he joined the company in 2009 as vice president. He is involved in day to day operations, overall supervision and control of the Company's activities and in particular to attend to all matters concerning production planning, manufacture, finance, administration and such other duties and services as entrusted by the Board of Directors.
Remuneration proposed to be paid	Basic Salary: Rs. 4, 50,000/- per month along with provident fund and other retirement benefits as per schedule V.
Date of first appointment on the Board	01.02.2016
Number of Board Meetings attended during the year	4
Directorships held in other companies as on 31.03.2019	Machino Transport Private Limited Grandmaastters Mold Limited Pranna Plastics Limited Machino Plastics Becharaji Limited
Board Membership of Listed Companies as on March 31, 2019	Nil
Chairman/ Membership of the Committee held in other companies as on 31.03.2019	Nil
Number of Shares held in the Company as on March 31, 2019	649,401 Equity Shares
Relationship with other directors, manager and other Key Managerial Personnel of the company	Son of Mr. Sanjiivv Jindall, Chairman cum Managing Director
Terms and Conditions of re-appointment	As the resolution passed by the shareholders of the company on Annual General Meeting held on 29th July, 2016, Mr. Aditya Jindal has been appointed as Executive Director (Manesar Plant) of the company, liable to retire by rotation.

Name of the Director	Mr. Kazunari Yamaguchi
DIN	07961388
Date of Birth & age	11.01.1963 and 56 years
Qualification	Graduated from Department of Agricultural Engineering, Faculty of Agriculture, Kagoshima university in May 1986.
Experience and Expertise	Mr. Kazunari Yamaguchi is the nominee director of the Company on behalf of Suzuki Motor Corporation, Japan. He is a Director (Production) on the board of Maruti Suzuki India Ltd.
Remuneration proposed to be paid	NA
Date of first appointment on the Board	28.02.2018
Number of Board Meetings attended during the year	4
Directorships held in other companies as on 31.03.2019	Maruti Suzuki India Ltd Manesar Steel Processing (India) Private Limited
Board Membership of Listed Companies as on March 31, 2019	Maruti Suzuki India Ltd
Chairman/ Membership of the Committee held in other companies as on 31.03.2019	Risk Management Committee. (Above mentioned membership is in Maruti Suzuki India Limited)
Number of Shares held in the Company as on March 31, 2019	Nil
Relationship with other directors, manager and other Key Managerial Personnel of the company	Not related to any director
Terms and Conditions of re-appointment	As the resolution passed by the shareholders of the company on Annual General Meeting held on 1st September, 2018, Mr. Kazunari Yamaguchi has been appointed as Director, liable to retire by rotation.

Name of the Director	Mr. Ajit Yadav
DIN	02754863
Date of Birth & age	05.07.1952 and 67 years
Qualification	Attorney of India, Company Secretary, Solicitor of England, Wales & Advocate of Supreme Court of India
Experience and Expertise	Mr. Ajit Yadav is an accomplished corporate professional and Holding the position of Managing Partner of Lexaya Partners. he has been a member of Executive teams / Board of Directors of reputed organizations and holds more than thirty years of rich and diverse experience. He carries vast and valuable experience of supporting businesses at the Board Level and for developing strategic perspectives in the areas which are critical for successfully running of the businesses at the apex level from law and regulatory standpoint. a business lawyer and for using law as an enabler function to provide efficient solutions to business legal issues.
Remuneration proposed to be paid	NA
Date of first appointment on the Board	23.05.2019
Number of Board Meetings attended during the year	NA
Directorships held in other companies as on 31.03.2019	Heals Medicine Pvt. Ltd. Lexaya Healthcare Pvt. Ltd.
Board Membership of Listed Companies as on March 31, 2019	Nil
Chairman/ Membership of the Committee held in other companies as on 31.03.2019	Nil
Number of Shares held in the Company as on March 31, 2019	Nil
Relationship with other directors, manager and other Key Managerial Personnel of the company	Not related to any Director
Terms and Conditions of re-appointment/ Appointment	The board approved the appointment of Additional and Independent Director, subject to the approval of shareholders in Annual General Meeting to be held on 7th August, 2019
Justification for Choosing the Appointees for Appointment as Independent Directors	Due to the Completion of tenure of previous Independent Directors

Name of the Director	Mr. Rajiv Kumar Singh
DIN	03060652
Date of Birth & age	01.02.1969 & 50 years
Qualification	Chartered accountant, Professional at Transactional Valuation Analyses, Transfer Pricing Valuation, Fair Value Measurement for IFRS/Ind-AS/NFRS/Singapore-FRS, Valuation for FEMA and Intangible Asset Valuation.
Experience and Expertise	Mr. Rajiv Kumar Singh is a recognized expert on business valuation, banking, corporate finance and strategy, M&A and restructuring, forex risk management and internal controls. He has been retained and testified as an expert witness in India and abroad including The London Court of International Arbitration (LCIA), and ITAT in leading valuation cases relating to economic damages/transfer pricing. He has been actively working with leading law firms in India and USA in relation to valuation matters. He consulted on a corporate restructuring plan.
Remuneration proposed to be paid	NA
Date of first appointment on the Board	30.05.2019
Number of Board Meetings attended during the year	NA
Directorships held in other companies as on 31.03.2019	Explico Consulting Pvt. Ltd. Union Bank of India
Board Membership of Listed Companies as on March 31, 2019	Nil
Chairman/ Membership of the Committee held in other companies as on 31.03.2019	Union Bank of India
Number of Shares held in the Company as on March 31, 2019	Nil
Relationship with other directors, manager and other Key Managerial Personnel of the company	Not related to any Director
Terms and Conditions of re-appointment	The board approved the appointment of Additional and Independent Director, subject to approval of shareholders in Annual General Meeting to be held on 7th August, 2019.
Justification for Choosing the Appointees for Appointment as Independent Directors	Due to the Completion of tenure of previous Independent Directors

Name of the Director	Dr. Sandeep Goel
DIN	08471700
Date of Birth & age	18.10.1975 & 44 years
Qualification	Dr. Sandeep Goel holds 'Double Doctorate', one in Finance; and another in Accounting from Faculty of Management Studies (FMS), University of Delhi. He did his Hons. in Commerce from Shri Ram College of Commerce, University of Delhi and Master's degree in Commerce with specialization in Finance from Department of Commerce, University of Delhi.
Experience and Expertise	Dr. Sandeep Goel is an Associate Professor in the area of Accounting and Finance at Management Development Institute, Gurgaon. He is also a Visiting Professor to Faculty of Management, University of Lodz, Poland. He offers a unique and popular course, 'Forensic Accounting and Corporate Governance' to second year students of MBA at MDI. He is a Management Trainer and Consultant to Organizations, like National Banking Institute (Nepal), UltraTech Cements, IGL, Cairns India, Encore, IOCL, SOS Village International, Bata, TIL, Ester Industries, BEL, LIC, Armed Forces, Jindal, and ONGC, His interest areas are: Financial Reporting and Analysis, Financial Management, Forensic Accounting and Corporate Governance. He has been the Financial Columnist to 'Purchase' (A Publication of Indian Purchase.com).
Remuneration proposed to be paid	NA
Date of first appointment on the Board	30.05.2019
Number of Board Meetings attended during the year	NA
Directorships held in other companies as on 31.03.2019	Nil
Board Membership of Listed Companies as on March 31, 2019	Nil
Chairman/ Membership of the Committee held in other companies as on 31.03.2019	Nil
Number of Shares held in the Company as on March 31, 2019	Nil
Relationship with other directors, manager and other Key Managerial Personnel of the company	Not related to any Director
Terms and Conditions of re-appointment/ Appointment	The board approved the appointment Additional and Independent Director Subject to the approval of Shareholders in General Meeting to be held on 7th august, 2019

By order of the Board of Directors

Sd/-
Sanjiivv Jindall
Chairman cum Managing Director

Place : Gurugram
Date : 30th May, 2019

BOARD OF DIRECTOR'S REPORT

Dear Members,

Your Directors have pleasure in presenting the 34th Annual Report and Audited Financial Statements for the Financial Year ended 31st March, 2019.

FINANCIAL SUMMARY AND HIGHLIGHTS

(Rs. In Lacs)

Financial Performance	**2017-18**	**2018-19**
Income from operation (net of excise/GST)	30,594.32	30287.20
Other Income	26.62	49.54
Profit(before financial charges, depreciation and tax)	2,811.77	2610.90
Financial Charges	727.12	654.75
Depreciation & Impairment expenses	1,907.08	1944.56
Profit before tax	177.57	11.59
Provision for tax(after adjustment of deferred tax)	(302.71)	(29.17)
Profit after tax	480.29	40.77
Other Comprehensive Income	6.27	10.14
Total Comprehensive Income for the period	486.56	50.91

Net turnover of your Company has decreased by 1% from Rs.30594.32 lacs in 2017-18 to Rs.30287.20 lacs in current year. Your Company has earned a pre-tax profit of Rs.11.59 lacs as compared to profit of Rs. 177.57 lacs in the last year.

RESULTS OF OPERATIONS

OPERATIONS:

During the year under review, the following are the highlights of your Company:

- Achieved a turnover during 2018-19 of Rs.30287.20 lacs as compared to Rs.30594.32 lacs during 2017-18 reflecting a decrease of 1%.
- Profit before tax during 2018-19 is Rs. 11.59 lacs against pretax profit during the year 2017-18 of 177.57 lacs.
- Profit after tax during 2018-19 is Rs.40.77 lacs against post tax profit during the year 2017-18 of Rs. 480.29 lacs.
- Total Comprehensive Income during 2018-19 is Rs.50.91 lacs as compared to Rs. Rs. 486.56 lacs during previous financial year 2017-18.
- Pre- tax Cash Profit during 2018-19 is 1956.15 lacs against pre- tax cash profit during the year 2017-18 of Rs. 2,084.65 lacs

INTERNAL FINANCIAL CONTROL

Your company has in place adequate internal financial controls in accordance to the size of the company and with reference to financial statement. The internal financial controls have been regularly reviewed by the auditors of your company and no reportable material weakness in the design or operation was observed.

DIVIDEND

Your Directors recommend a dividend of 10 %(i.e., Re.1 per equity shares of Rs. 10/- each) of the financial year 2018-19 amounting to Rs. 61,36,800/-. The dividend payout is subject to the approval of the members at the ensuing Annual General Meeting.

The dividend shall be paid to members whose names appear in the Register of Members as on 7th August, 2019 and in respect of shares held in dematerialized form, it will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited, as beneficial owner as on that date.

The dividend income is tax free in the hands of the shareholders.

AMOUNT TRANSFERRED TO RESERVE

Your company proposed to transfer an amount of Rs. 5,00,000/- to general reserve out of the profits of the company.

EXTRACT OF ANNUAL RETURN

The detail forming part of the extract of the Annual Return in Form No MGT - 9 in accordance with the provisions of Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, are set out herewith as 'Annexure-I' to this Report.

NUMBER OF BOARD MEETINGS

The details of the number of Board and Audit Committee meetings of your Company are set out in the Corporate Governance Report which forms part of this Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 134 sub section (5) of the Companies Act, 2013 the directors of your company state-

- That in preparation of the annual accounts for the financial year ended 31st March, 2019, the applicable accounting standards have been followed and there are no material departures from the same.
- That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the company at the end of the financial year as at 31st March, 2019 and of the profit of the Company for the year ended 31st March, 2019.
- That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities.
- That the annual accounts have been prepared on a going concern basis.
- That proper internal financial controls laid down by the directors to be followed by the Company and that such internal financial controls are adequate and is operating effectively; and
- That proper system to ensure compliance with the provisions of all applicable laws is adequate and is operating effectively

DECLARATION BY INDEPENDENT DIRECTOR

Your Company has received declarations from all the Independent Directors that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 read with Schedule and Rules issued there-under, and also in accordance to Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

REMUNERATION POLICY

Your company has adopted the remuneration policy in accordance with Section 178 read with rules made there under for director's appointment and remuneration including the criteria for determining qualifications, positive attributes, independence of a director, etc. in the meeting of Board of Directors of the Company held on 9th February, 2015 in line with the recommendation of Nomination and Remuneration Committee; whose meeting also held on the same date. The remuneration policy of your Company is annexed in Annexure-II. The policy has been disclosed on the website of the company.

AUDIT AND AUDITOR'S REPORT:

STATUTORY AUDITOR:

M/s. KMGS & Associates, Chartered Accountants, were appointed as Statutory Auditors of the Company to hold office till the conclusion of ensuing Annual General Meeting for the financial year 2018-19.

STATUTORY AUDITOR'S REPORT

There are no such observations in the statutory audit report which needs to be explained by your company. The observation of the auditors is self- explanatory and/or is suitably explained in the notes to the accounts.

SECRETARIAL AUDITOR:

M/s A.K. & Associates, Practicing Company Secretary, were appointed as Secretarial Auditor for the financial year 2018-19 for secretarial audit of your company.

SECRETARIAL AUDIT REPORT

There are no such observations in the secretarial audit report which needs to be explained by your Company. The report of secretarial auditor is annexed to this report as Annexure VIII.

SECRETARIAL COMPLIANCE REPORT

There are no such observations in the secretarial compliance report which needs to be explained by your Company. The report of secretarial auditor is annexed to this report as Annexure IX.

PARTICULARS OF LOAN, GUARANTEES OR INVESTMENT BY THE COMPANY

Your Company has not given any loan, guarantee or made any investment in any other body corporate as per the provision of section 186 of the Companies Act, 2013, except as disclosed in the attached accounts.

RELATED PARTIES TRANSACTIONS

All related party transactions that were entered into during the financial year 2018-19 were in the ordinary course of business and on an arm's length basis or with required approvals. Your company has also adopted a policy on materiality of related parties transaction and also dealing with related parties' transaction as approved by the Board. The policy has been disclosed on the website of your company at www.machino.com

The details of related parties transaction whether requiring approvals or otherwise, as per the provision of Section 188 of the Companies Act, 2013, Form AOC-2 is annexed in Annexure-III.

STATE OF COMPANY'S AFFAIR

Your company is a joint venture Company of Maruti Suzuki India Limited, Suzuki Motor Corporation and Jindal's. Your company was incorporated in 1986. Your company is a going concern. The shares of your company are listed on Bombay Stock Exchange Limited. Your company is engaged in the production of plastics moulded automotive components. Your company has total 3 plants out of which one operative plant is located in Gurgaon, one operative plants are located in Manesar while the plant located in Pithampur is non- operative and is yet to commence production.

During the year under review, your company has not made any default in repayment of any of its term loans, have met generally all its obligation in time including its tax liabilities.

DETAILS OF SIGNIFICANT AND MATERIAL ORDER

No significant or material orders have been passed by any regulators or court or tribunals impacting the going concern status and future operations of your company.

MATERIAL CHANGES AND COMMITMENTS

No significant changes and commitments affecting the financial position of your company for the financial year ending on 31st March, 2019 till the date of this report.

CONSERVATION OF ENERGY

Continuous overhauling of equipment's and awareness amongst employees has helped to avoid wastage of energy. Company has installed solar power plant of capacity 315KW at its Manesar Plant and 505KW plant at Gurgaon.

Series of steps have been taken to identify areas of excess consumption of power and checks have been strengthened at these points and various alternative sources of energies are utilized.

Data regarding energy consumed is given hereunder:

Power & Fuel Consumption		2017-18	2018-19
1.	Electricity		
	(a) Purchase units / co-generated	19,656,538	18996315
	Total Cost (Rs. In lacs)	1590.57	1670.96
	Rate per units	8.09	8.80
	(b) Own Generation - D.G. Set		
	Units generated	637,022	394442
	Fuel Cost (Rs. In Lacs)	107.90	86.24
	Fuel cost per unit	16.94	21.86
2.	Coal	NIL	NIL
3.	Furnace Oil	NIL	NIL
	Other / Internal generation/ Solar power	2, 50,415	401043

TECHNOLOGY ABSORPTION

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

FOREIGN EXCHANGE EARNING & OUTGO

	Rs. In Lacs
Total foreign exchange earning	148.15
Total foreign exchange outgo	1913.41

RISK MANAGEMENT POLICY

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your company already has “Risk Management Policy” in writing which is also uploaded on the website of the company. The policy is regularly updated taking in to consideration the changes taking place in the business environment. Your company manages monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives.

ANNUAL EVALUATION OF PERFORMANCE

The performance evaluation of all:

- independent directors were made by Board (excluding the director who performance is being evaluated),
- non independent directors were made by the independent directors in its meeting
- the board committees and of the board as whole was made by Nomination and Remuneration Committee

Your company has also adopted a policy for evaluation of performance of the board and individual director in the meeting of the board of directors in line with the recommendation of Nomination and Remuneration Committee. The policy of annual evaluation is annexed in Annexure - IV.

The policy has also been disclosed on the website of the company.

VIGIL MECHANISM

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, your Company has established the Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 for directors and employees of the Company to report genuine concerns or grievances. The Vigil Mechanism provides the safeguard against the victimization of person who uses such mechanism.

During the financial year 2018-19, all the directors and employees had full access to approach the Vigil Mechanism Officer. No complaint was received during the year 2018-19 of any sort from any directors and employee of your company.

Mrs. Anupam Gupta has been appointed as Vigil Mechanism Officer with effect from 28.03.2019 under Whistle Blower Policy in place of Mr. R. Krishnan who has resigned w.e.f. 27.03.2019.

The detail of establishment of such mechanism is also disclosed on the website of the Company and also enclosed as per Annexure -V.

DIRECTORS

Appointments:

According to Section 149 of the Companies Act, 2013 read with schedule IV of the Companies Act, 2013, an independent director is required to hold office for a term up to five consecutive years on the Board of the Company. No independent director shall hold office for more than two consecutive terms, but shall be eligible for appointment after the expiry of three years of ceasing to become an independent director of the company.

Mr. Ajit Yadav was appointed as an Additional Director (Non-Executive Independent Category Director) at the meeting of the Board of Directors held on 23.05.2019 and subsequently he is proposed to be appointed as an Independent Director by the shareholders at the AGM held on 07.08.2019.

Mr. Rajiv Kumar Singh and Dr. Sandeep Goel were appointed as an Additional Director (Non-Executive Independent Category Director) at the meeting of the Board of Directors held on 30.05.2019 and subsequently they are proposed to be appointed as an Independent Director by the shareholders at the AGM held on 07.08.2019.

Resignation/ Cessation

In accordance with the provisions of Section 168(1) of Companies Act, 2013, Mr. R. Krishnan, an Independent Director of your company has resigned w.e.f. 27th March, 2019.

On completion of tenure Mr. R.L. Gaggar and Mr. Sundaram Balasubramanian have ceased to be the directors on the board of company with effect from 1st April, 2019.

AUDIT COMMITTEE

The details of the Audit Committee including its composition and terms of reference mentioned in the Corporate Governance Report forms part of Director's Report.

FAMILIARISATION PROGRAMME FOR THE INDEPENDENT DIRECTOR

Your Company has organized a familiarization programme for the independent directors as per the requirement of the Companies Act, 2013 along with the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The detail of such familiarization programme is also uploaded on the website of the company at www.machino.com.

LISTING

The Equity Shares of the Company are listed on Bombay Stock Exchange. The company has paid listing fees to the Stock Exchange for the financial year 2019-20.

CORPORATE GOVERNANCE

Your Company always places major thrust on managing its affairs with diligence, transparency, responsibility and accountability thereby upholding the important dictum that an organization's corporate governance philosophy is directly linked to high performance.

Pursuant to Regulation 27(2) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the company regularly submits the corporate governance report to the Stock Exchanges within the prescribed time line. Therefore, Reports on Corporate Governance has been included in this annual report as a separate section (forming a part of Director's Report) along with the Auditor's Certificate.

DEPOSITS

Your Company has not accepted any deposits under Section 73 of the Companies Act, 2013 & rules made there under.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required by Regulation 34(2) (e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed Management Discussion and Analysis Report are presented in a separate section forming part of the annual report.

DETAILS OF SUBSIDIARIES, JOINT VENTURE OR ASSOCIATE COMPANIES

None of the company has become or ceased to become the subsidiary, joint venture or associate of your Company during the financial year 2018-19.

PARTICULAR OF EMPLOYEES AND RELATED DISCLOSURES

Details of employee of the Company as specified under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are annexed hereto as Annexure-VII and forms part of the report.

TRANSFER OF SHARES TO INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY

Pursuant to the section 124(6) of the Companies Act, 2013, your company has transferred 4810 shares to Investor Education and Protection Fund Authority.

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 pollutions. As an environment conscious responsible corporate citizen, your Company has implemented GSCM (Green Supply Chain Management) standards.

CORPORATE SOCIAL RESPONSIBILITY

The provision of section 135(1) of Companies Act 2013 i.e. Corporate Social Responsibility is not applicable on your company. Therefore your company has not constituted CSR committee for this.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation for the valuable co-operation and assistance extended by Maruti Suzuki India Limited., Suzuki Motors Corporation, Japan, Government of India, Government of Haryana and the Company's bankers for their continued support and guidance. The Directors also commend the continuing commitment and dedication of the employees at all levels 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

Sd/-
Sanjiivv Jindall
Chairman cum Managing Director

Date: 30th May, 2019
Place: Gurugram

ANNEXURE-1

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	L25209HR2003PLC035034
ii	Registration Date	2nd April, 1986
iii	Name of the Company	Machino Plastics Limited
iv	Category/Sub-category of the Company	Manufacturing concern
v	Address of the Registered office & contact details"	Plot No.3, Maruti Joint Venture Complex, Udyog Vihar, Phase-IV, Gurgaon-122015 Ph: 0124-2340806. 2341218
vi	Whether listed company Yes/ No	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Alankit Assignments Limited, 3E/7, Jhandewalan Extension, New Delhi-110055 Ph: 011-42541234

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sr #	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Parts of motor vehicles and accessories	45300	100.00%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES - N/A

Sr #	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION

IV SHAREHOLDING PATTERN (Equity Share capital Break up as percentage to total Equity)

i) Category- wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	1,211,893		1,211,893	19.75	1,211,893	-	12,,11,893	19.75	-
b) Central Govt.or State Govt.									
c) Bodies Corporates	2,358,513		2,358,513	38.43	2,358,513		2,358,513	38.43	-
d) Bank/FI									
e) Any other									
SUB TOTAL:(A) (1)	3,570,406		3,570,406	58.18	3,570,406	-	3,570,406	58.18	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRI- Individuals									
b) Other Individuals									
c) Bodies Corp.	941,700		941,700	15.35	941,700	-	941,700	15.35	-
d) Banks/FI									
e) Any other…									
SUB TOTAL (A) (2)	941,700		941,700	15.35	941,700	-	941,700	15.35	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	4,512,106		4,512,106	73.53	4,512,106	-	4,512,106	73.53	-
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	850	250	1,100	0.02	850		850	0.01	0.01
b) Banks/FI									
C) Central govt					4,810		4,810	0.08	0.08
d) State Govt.									
e) Venture Capital Fund									
f) Insurance Companies									
g) FIIS					-	-	-		
h) Foreign Venture Capital Funds									
i) Others (specify)									
SUB TOTAL (B)(1):	850	250	1,100	0.02	5,660		5,660	0.09	0.07
(2) Non Institutions									
a) Bodies corporates									
i) Indian	183,000	3,100	186,100	3.03	136,793	1,400	138,193	2.25	0.78
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 Lakhs at the end of the year	655,070	160,545	815,615	13.29	691,695	140,851	832,546	13.57	0.28
ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs at the end of the year.	483,889		483,889	7.89	506,056		506,056	8.25	0.36
c) Investor Education and Protection Fund Authority	63,013		63,013	1.03	63,013		63,013	1.03	
d) Others(Clearing Member)	401		401	0.01	117		117	0.002	0.00
e) Others (Resident HUF)	69,509		69,509	1.13	73,290		73,290	1.19	0.06

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (NRI)	4,767	200	4,967	0.08	5,519	200	5,719	0.09	0.00
d)Others (Trust)	100		100	0.002	100	-	100	0.002	
SUB TOTAL (B)(2):	1,459,749	163,845	1,623,594	26.45	1,476,583	142,451	1,619,034	26.38	0.07
Total Public Shareholding (B)= (B)(1)+(B)(2)	1,460,599	1,645,095	1,624,694	26.47	1,482,243	142,451	1,624,694	26.47	-
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	5,972,705	164,095	6,136,800	100.00	5,994,349	142,451	6,136,800	100.00	-

(ii) SHARE HOLDING OF PROMOTERS

Sr #	Shareholders Name	Shareholding at the begginning of the year			Shareholding at the end of the year			% change in share holding during the year
		NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Murli Dhar Jindal	87	0.00	--	87	0.001		-
2	Sanjiivv Jindall	561,802	9.15	--	561,802	9.15		-
3	Sarita Jindal	600	0.01	--	600	0.01		-
4	Aditya Jindal	649,401	10.58	--	649,401	10.58		-
5	Kamla Jindal	1	0.00	--	1	0.00		-
6	Rajiv Jindal	2	0.00	--	2	0.00		-
7	Machino Transport Private Limited	1,416,813	23.09	--	1,416,813	23.09		-
8	Maruti Suzuki India Limited	941,700	15.35	--	941,700	15.35		-
9	Suzuki Motor Corporation	941,700	15.35	--	941,700	15.35		-
	Total	**4,512,106**	**73.53**	**-**	**4,512,106**	**73.53**		

(iii) Change in Promoters' Shareholding (specify If there is no change)

Sr #	Shareholding at the Beginning of the year		
	Name of Promoter	No. of shares	% of total shares of the company
	No Change	No Change	No Change

Sr #	Shareholding at the end of the year		
	Name of Promoter	No. of shares	% of total shares of the company
	No Change	No Change	No Change

* Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat - As per Table No. 1

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs) as on 31st March, 2019

S. No.	Name of Shareholder	Shareholding as on (01.04.2018)	Percentage	Date of change in shareholding	Change During the year	Shareholding as on 31.03.2019	Percentage	Reason
1	Vikas Malu	83,588	1.362	01.06.2018	140,000	223,588	3.643	Market Transaction
2	Kanta Chhajer	143,702	2.342	7.04.2018	(4,005)	162,230	2.643	Market Transaction
				15.06.2018	19,233			
				29.06.2018	565			
				23.11.2018	2,735			
3	Sunil Rameshchandra Amin	86,574	1.411	06.04.2018	100	90,213	1.470	Market Transaction
				18.05.2018	100			
				25.05.2018	190			
				1.06.2018	550			
				13.07.2018	(90)			
				27.07.2018	325			
				10.08.2018	100			
				24.08.2018	63			
				07.09.2018	507			
				14.09.2018	200			
				23.11.2018	1,170			
				14.12.2018	70			
				11.01.2019	100			
				15.3.2019	254			
4	IEPF AUTHORITY	63,013	1.030	08.02.2019	4,810	67,823	1.105	Market Transaction
5	Trupti Uday Merchant	30,025	0.489	-	-	30,025	0.489	N.A.
6	Grishma Securities Private Limited	50,000	0.815	20.04.2018	(20,000)	30,000	0.489	Market Transaction
7	Ramakant & Co Pvt Ltd	28,830	0.469	-	-	28,830	0.469	N.A.
8	VORA CONSTRUCTIONS LIMITED	20,000	0.326	23.11.2018	100	20,100	0.328	Market Transaction
9	ANIL S MISTRY	-	-	27.04.2018	20,000	20,000	0.326	Market Transaction
10	M Vimala	19,500	0.318	-	-	19,500	0.318	N.A.
11	CHOPRA NARPATKUMAR KEWALCHAND HUF	19,170	0.312	-	-	19,170	0.312	N.A.
12	SURENDRA CHHAJER	13,218	0.215	30.06.2018	4,187	17,405	0.284	Market Transaction
13	JAINAM SHARE CONSULTANTS PVT. LTD	23,875	0.389	18.01.2019	(8,850)	15,025	0.245	Market Transaction
14	MANOJ D ANTANI	-	-	25.01.2019	14,328	14,328	0.233	Market Transaction
15	UDAY VASANTLAL MERCHANT	10,000	0.163	-	-	10,000	0.163	N.A.

(v) Shareholding of Directors & Key Managerial Personnel

Sr #	Shareholding at the beginning of the year (1st April 2018)		
	Name of Director and KMP	No. of shares	% of total shares of the company
1	Sanjiivv Jindall	561,802	9.155
2	Aditya Jindal	649,401	10.58
3	Ratan Lal Gaggar	120	0.001
4	S.K. Agrawal	1	0.000016
	Total cumulative shareholding	1,211,324	19.73

Sr #	Shareholding at the end of the year (31st March 2019)		
	Name of Director and KMP	No. of shares	% of total shares of the company
1	Sanjiivv Jindall	561,802	9.15
2	Aditya Jindal	649,401	10.58
3	Ratan Lal Gaggar	120	0.001
4	S.K. Agrawal	1	0.000016
	Total cumulative shareholding	1,211,324	19.73

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	**Unsecured Loans**	**Deposits**	**Total Indebtedness**
Indebtness at the beginning of the financial year				
i) Principal Amount	1,020,134,865			1,020,134,865
ii) Interest due but not paid	NIL			NIL
iii) Interest accrued but not due	3,940,471			3,940,471
Total (i+ii+iii)	1,024,075,336			1,024,075,336
Change in Indebtedness during the financial year				
Additions	1,29,988,559			1,29,988,559
Reduction	(3,931,912)			(3,931,912)
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	1,145,957,875			1,145,957,875
ii) Interest due but not paid				
iii) Interest accrued but not due	4,174,108			4,174,108
Total (i+ii+iii)	1,150,131,983			1,150,131,983

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

Sr #	Particulars of Remuneration	Name of the MD/WTD/ Manager		Name of the MD/WTD/ Manager		
		Mr. Sanjiivv Jindall		Mr. Aditya Jindal		
		Managing Director	Total Amount	Executive Director		Total Amount
1	**Gross salary**					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	5,00,000 per month	6,000,000	4,50,000 per month		5,400,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961					
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961					
2	Stock option				--	
3	Sweat Equity				--	
4	Commission				--	
	as 1% of profit					
	others (specify)					
5	Others, please specify				--	
	Total (A)	5,00,000 per month	60,00,000	4,50,000 per month		54,00,000
	Ceiling as per the Act	7,00,000 per month	84,00,000	7,00,000 per month		84,00,000

B. Remuneration to other directors:

Sr #	Particulars of Remuneration	Name of the Directors				Total
		R.L. Gaggar	R.Krishnan	S.Balasubramanian	Anupam Gupta	Amount
1	Independent Directors					
	(a) Fee for attending board committee meetings	15000/- per meeting	15000/- per meeting	15000/- per meeting	15000/- per meeting	
	(b) Commission					
	(c) Others, please specify					
	Total (1)	1,05,000	1,65,000	1,20,000	1,65,000	5,55,000
2	Other Executive Directors					
	(a) Fee for attending board committee meetings					
	(b) Commission					
	(c) Others, please specify.					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	CS	Total per annum
1	**Gross Salary**		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	41,59,996	41,59,996
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission as 1% of profit, others specify		
5	Others, please specify		
	Total	41,59,996	41,59,996

VII PENALTIES/PUNISHMENT/COMPPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/ Court)	Appeall made if any (give details)
A. COMPANY					
Penalty		NIL			
Punishment		NIL			
Compounding		NIL			
B DIRECTORS					
Penalty		NIL			
Punishment		NIL			
Compounding		NIL			
C. OTHER OFFICERS IN DEFAULT					
Penalty		NIL			
Punishment		NIL			
Compounding		NIL			

Table I

CHANGE IN PROMOTER SHARWEHOLDING DURING THE YEAR

Sr #	NAME OF SHAREHOLDER	Date of Change	SHAREHOLDING BEFORE CHANGE/ AT	INCREASE/ DECREASE IN	SHAREHOLDING AFTER CHANGE/ AT	REASON
			THE BEGINNING OF THE YEAR	SHAREHOLDING	THE END OF THE YEAR	
1	No Change					

ANNEXURE-II

REMUNERATION POLICY

1. Executive Remuneration Policy

The remuneration policy of the Directors has been designed to keep pace with the business environment and market linked positioning. The Remuneration & Nomination Committee determines and recommends to the Board the compensation payable to Directors. Remuneration for the Executive Directors consists of a fixed component and a variable component linked to the long term vision, medium term goals and annual business plans.

The scope of the nomination and remuneration committee shall include the formulation of criteria for determining qualifications, positive attributes and independence of a director and recommend to the board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.

The company had set-up a Nomination and Remuneration Committee on 17th November, 2012 to review and recommend the quantum and payment of annual salary and commission and finalize service agreements and other employment conditions of the Executive Directors. The Committee takes into consideration the best remuneration practices being followed in the industry while fixing appropriate remuneration packages for Directors.

During the financial year, the committee has total five directors which include three Directors as Independent Directors, one director being non - executive director and the other director being Executive Director in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The composition included Mr. S. Balasubramanian, the Chairman of the Committee, Mr. A. K. Tomer, Mrs. Anupam Gupta, Mr. R.L. Gaggar and Mr. Sanjiivv Jindall.

Mr. R. Krishnan has resigned from the office of Independent Director w.e.f 27th March, 2019 due to his preoccupations. The office of Mr. S. Balasubramanian and Mr. R.L Gaggar got vacated on 31.03.2019 on expiry of their tenure of appointment.

Mr. Ajit Yadav has been appointed as an Additional Independent Director w.e.f 23rd May, 2019 and as a member of the Committee.

Mr. Rajiv Kumar Singh and Dr. Sandeep Goel have been appointed as an Additional Independent Directors w.e.f 30th May, 2019 and as members of the Committee.

1. Key Definitions

"**Board of Directors" or "Board"**, in relation to a company, means the collective body of the Directors of the company;

The expression **"senior management"** means personnel of the company who are members of its core management team other than the Board of Directors. It comprises of all members of the management who are one level below the Executive Directors and include the Functional Heads.

"Key managerial personnel", in relation to a company, means -

i. the Chief Executive Officer or the Managing Director or the Manager;

ii. the Company Secretary;

iii. the Whole-time Director;

iv. the Chief Financial Officer; and

v. such other officers as may be prescribed;

Machino Plastics Limited has the following individuals assuming key positions in the company:

A. Board of Directors

1.	Mr. Sanjiivv Jindall	Chairman cum Managing Director
2.	Mr. Aditya Jindal	Executive Director cum Chief Financial Officer
3.	Kazunari Yamaguchi	Non-Executive Director {Nominee of Suzuki Motor Corporation, Japan}
4.	Mr. A.K. Tomer	Non-Executive Director {Nominee of Maruti Suzuki India Limited}
5.	Mr. Anupam Gupta	Independent Director
6.	Mr. Rama Krishnan	Independent Director upto 27.03.2019
7.	Mr. S. BalaSubramanian	Independent Director upto 31.03.2019
8.	Mr. R.L. Gaggar	Independent Director upto 31.03.2019
9.	Mr. Ajit Yadav	Additional and Independent Director w.e.f. 23.05.2019
10.	Mr. Rajiv Kumar Singh	Additional and Independent Director w.e.f. 30.05.2019
11.	Dr. Sandeep Goel	Additional and Independent Director w.e.f. 30.05.2019

B. Independent Directors

Pursuant to Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, an Independent Director means a Non-Executive Director, other than a nominee director of the listed entity who:

(i) In the opinion of the board of directors, is a person of integrity and possesses relevant expertise and experience;

(ii) Is or was not a promoter of the listed entity or its holding, subsidiary or associate company;

(iii) Is not related to promoters or directors in the listed entity, its holding, subsidiary or associate company;

(iv) apart from receiving director's remuneration, has or had no material pecuniary relationship with the listed entity, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;

(v) none of whose relatives has or had pecuniary relationship or transaction with the listed entity, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed from time to time, whichever is lower, during the two immediately preceding financial years or during the current financial year;

(vi) neither himself, nor whose relative(s) -

(A) holds or has held the position of a key managerial personnel or is or has been an employee of the listed entity or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

(B) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of -

(1) a firm of auditors or company secretaries in practice or cost auditors of the listed entity or its holding, subsidiary or associate company; or

(2) any legal or a consulting firm that has or had any transaction with the listed entity, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;

(C) Holds together with his relatives two per cent or more of the total voting power of the listed entity; or

(D) is a chief executive or director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts or corpus from the listed entity, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the listed entity;

(E) is a material supplier, service provider or customer or a lessor or lessee of the listed entity;

(vii) Who is not less than 21 years of age.

C. The **senior management** team as on 31.03.2019 consists of

i. Chief Financial Officer

ii. Company Secretary

iii. General Manager- Operations

D. Key Managerial Personnel

i. Managing Director / Executive Director/Whole Time Director

ii. Chief Financial Officer

iii. Company Secretary

3. The Nomination & Remuneration Committee

The Nomination & Remuneration Committee is responsible for the monitoring, implementation and review of this policy. The Nomination & Remuneration Committee will provide recommendations to the Board as to how to effectively structure and facilitate a remuneration strategy, which will meet the needs of the Company.

3.1 Key Principles of the Remuneration Policy

While designing compensation for Directors, Key managerial personnel, senior management and other employees, the following set of principles act as guiding factors:

1. Aligning key executive and board remuneration with the longer term interests of the company and its shareholders.
2. Minimize complexity and ensure transparency.
3. Link to long term strategy as well as annual business performance of the company
4. Promotes a culture of meritocracy and is linked to key performance and business drivers.
5. Reflective of line expertise, market competitiveness so as to attract the best talent.
6. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
7. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
8. Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:
9. That the Managing Director's remuneration be reviewed on expiry of current period of three years of appointment and the remuneration be divided into fixed and flexible portion.
10. In future employment, as well as for existing, a part of remuneration be kept as performance linked pay.
11. Remuneration being paid to employees currently be protected.
12. Targets for the Company, for the Managing Director, for HOD's be given by board and HOD's should fix targets for their respective team members. Accordingly the performance remuneration will be decided by board latest by the end of the month of May each year in accordance with recommendation of Nomination and Remuneration Committee.

3.1.1 Remuneration paid to Executive Directors

The remuneration paid to Executive Directors is recommended by the Nomination and Remuneration Committee and approved by the Board in the Board meeting, subject to the subsequent approval by the shareholders at the general meeting and such other authorities, as the case may be.

At the Board meeting, only the Non-Executive and Independent Directors participate in approving the remuneration paid to the Executive Directors. The remuneration is arrived by considering various factors such as qualification, experience, expertise, prevailing remuneration in the industry and the financial position of the company. The elements of the remuneration and limits are pursuant to the section 178, 197 and schedule V of the Companies Act 2013 and also Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3.1.2 Remuneration Policy Structure

The remuneration structure for the Executive Directors would include the following components:

3.1.3 Basic Salary

- Provides for a fixed, per month, base level remuneration to reflect the scale and dynamics of business to be competitive in the external market

- Are normally set in the home currency of the Executive Director and reviewed annually

- Will be subject to an annual increase as per recommendations of the Nomination and Remuneration committee and approval of the Board of Directors and such other approvals as may be necessary.

3.1.4 Perquisites and Allowances

A basket of Perquisites and Allowances would also form a part of the remuneration structure.

3.1.5 Contribution to Provident and Other funds

- In addition to the above, the remuneration would also include:

- Contribution to Provident and Superannuation Funds

- Gratuity

3.1.6 Minimum Remuneration

If in any financial year during the tenure of the Executive Directors, the company has no profits or its profits are inadequate, they shall be entitled to, by way of Basic Salary, Perquisites, allowances and in addition hereto, they shall also be eligible for perquisites not exceeding the limits specified under Part IV of Schedule V of the Companies Act, 2013 or other such limits as prescribes by the Government from time to time as Minimum Remuneration, whichever is higher.

3.2.1 Remuneration payable to Non-Executive & Independent Directors

The Non-Executive Directors and Independent Directors of the company would be paid sitting fees {not exceeding INR 1, 00,000} for each meeting of the Committees and Board meeting as may be decided by the board from time to time.

3.2.2 Remuneration payable to Non-Executive Directors

The Remuneration to the Non-Executive Directors would be as per recommendations of the Nomination and Remuneration committee and approval of the Board of Directors. It would be pursuant to the provisions of sections 197, 198 of the Companies Act 2013.

3.3 Remuneration Philosophy for Key managerial personnel, senior management & staff

The compensation for the Key managerial personnel, senior management and staff at Machino Plastics Limited would be guided by the external competitiveness.

Internally, performance ratings of all employees would be spread across a normal distribution curve. The rating obtained by an employee will be used as an input to determine Variable and Merit Pay increases. Variable

and Merit pay increases will be calculated using a combination of individual performance and organizational performance. Grade wise differentiation in the ratio of variable and fixed pay as well as in increment percentage must be made.

Compensation can also be determined based on identified skill sets critical to success of the company. It is determined as per management's review of market demand and supply.

4. DISCLOSURES

The remuneration policy shall also form part of Annual Report of the Company and shall also be posted on the website of the company.

ANNEXURE III

RELATED PARTIES TRANSACTION DETAILS

FORM AOC – 2

(Pursuant to clause (h) of sub section (3) of Section 134 of the Act and
Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts and arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm length transactions under third proviso thereto

1. DETAILS OF CONTRACT OR ARRANGEMENT OR TRANSACTION NOT ON ARM LENGTH'S BASIS - NIL

a. Name(s) of the related party and nature of relationship

b. Nature of contracts/ arrangements/ transactions

c. Duration of the contracts/ arrangements/ transactions

d. Salient terms of the contracts or arrangements or transactions including the value, if any

e. Justification of entering into such contracts or arrangements or transactions

f. Date(s) of approval by the Board

g. Amount paid as advances, if any

h. Date on which the special resolution was passed in general meeting as required under first proviso of section 188

2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARM'S LENGTH BASIS

a. Name(s) of the related party and nature of relationship

b. Nature of contracts / arrangements / transactions

c. Duration of the contracts / arrangements / transaction

d. Salient terms of the contracts or arrangements or transactions including the value, if any

e. Date(s) of approval by the Board, if any

f. Amount paid as advances, if any

- The details of related parties' transaction forms part of Corporate Governance section in page no. 64.

ANNEXURE IV

PERFORMANCE EVALUATION POLICY

1. In accordance with the requirement of Regulation 17 (10) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and section 178 along with schedule IV of the Companies Act, 2013 and other provisions as may be applicable on the company from time to time; the company shall evaluate the performance of its Independent Directors, its board and other committee on annual basis.
2. An indicative list of factors that may be evaluated as part of this exercise is:-
   a) Participation in the meetings and contribution by a director,
   b) Commitment (including guidance provided to senior management outside of Board/ Committee meetings),
   c) Effective deployment of qualification, knowledge and expertise,
   d) Effective management of relationship with stakeholders,
   e) Integrity and maintenance of confidentiality,
   f) Independence of behavior and judgment, and
   g) Impact and influence.
3. The Nomination and Remuneration Committee shall have the authority to include any other parameters in addition to the above mentioned criterion for evaluation of performance of the Board its Committees and Directors. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board / Committee.
4. The Board on the basis of the Performance Evaluation Policy of the company would evaluate the performance of Independent Directors (excluding the director being evaluated). On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of Independent Director on annual basis.
5. The board on the basis of recommendation of Nomination and Remuneration Committee shall adopt Board Evaluation Framework and shall periodically monitor and review the same. The said policy shall also form part of Annual Report of the Company.
6. The Nomination and Remuneration Committee shall also identify the persons who are qualified to become director and who may be appointed in senior management accordance with the criteria laid down, and recommend to the board their appointment and removal. While recommending to the board the appointment of directors, the nomination and remuneration committee shall select the candidate from Institute of Directors, Indian Institute of Corporate Affairs, Institute of Company Secretaries of India and such other sources as it may deems fit.

CODE FOR INDEPENDENT DIRECTORS

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors.

1. **Guidelines of professional conduct:**

   An independent director shall:

   (1) uphold ethical standards of integrity and probity;

   (2) act objectively and constructively while exercising his duties;

   (3) exercise his responsibilities in a *bona fide* manner in the interest of the company;

   (4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;

(5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;

(6) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;

(7) refrain from any action that would lead to loss of his independence;

(8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;

(9) assist the company in implementing the best corporate governance practices.

2. **Role and functions:**

The independent directors shall:

(1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;

(2) bring an objective view in the evaluation of the performance of board and management;

(3) scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;

(4) satisfy themselves on the integrity of financial information and those financial controls and the systems of risk management are robust and defensible;

(5) safeguard the interests of all stakeholders, particularly the minority shareholders;

(6) balance the conflicting interest of the stakeholders;

(7) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;

(8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

3. **Duties:**

The independent directors shall-

(1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;

(2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;

(3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;

(4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;

(5) strive to attend the general meetings of the company;

(6) where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;

(7) keep themselves well informed about the company and the external environment in which it operates;

(8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;

(9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;

(10) ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;

(11) report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy;

(12) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;

(13) not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

4. Manner of appointment:

(1) Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there

is appropriate balance of skills, experience and knowledge in the Board so as to enable

the Board to discharge its functions and duties effectively.

(2) The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.

(3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.

(4) The appointment of independent directors shall be formalised through a letter of appointment, which shall set out:

(a) the term of appointment;

(b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;

(c) the fiduciary duties that come with such an appointment along with accompanying liabilities;

(d) provision for Directors and Officers (D and O) insurance, if any;

(e) the Code of Business Ethics that the company expects its directors and employees to follow;

(f) the list of actions that a director should not do while functioning as such in the company;

and

(g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.

(5) The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours.

(6) The terms and conditions of appointment of independent directors shall also be posted on the company's website.

5. Re-appointment:

The re-appointment of independent director shall be on the basis of report of performance evaluation.

6. Resignation or removal:

(1) The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Act.

(2) An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within a period of not more than one hundred and eighty days from the date of such resignation or removal, as the case may be.

(3) Where the company fulfils the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

7. Separate meetings:

(1) The independent directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;

(2) All the independent directors of the company shall strive to be present at such meeting;

(3) The meeting shall:

(a) review the performance of non-independent directors and the Board as a whole;

(b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;

(c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

8. Evaluation mechanism:

(1) The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

(2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

ANNEXURE – V

VIGIL MECHANISM OF THE COMPANY

VIGIL MECHANISM/WHISTLE BLOWER POLICY OF MACHINO PLASTICS LIMITED

1. PREFACE

1A. Section 177 of the Companies Act 2013‘ Regulation 22 of the SEBI listing regulations and SEBI Prohibition of Insider Trading) Regulations, 2015 requires every listed company to establish a vigil mechanism for the directors and employees to report genuine concerns The Company has adopted a Code of Conduct for Directors and Senior Management Executives (“the Code”), which lays down the principles and standards that should govern the actions of the Company and its employees Any actual or potential violation of the Code howsoever insignificant or perceived as such would be a matter of serious concern for the Company. Such a vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the

Chairperson of the Audit Committee in appropriate or exceptional cases

1B. Keeping in view of the above requirements MACHINO PLASTICS LIMITED being a Listed Company Proposes to establish a Whistle Blower Policy/ Vigil Mechanism policy for the same

2. POLICY OBECTIVES

2A. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Managing Director/ Chairman of the Audit Committee in exceptional cases This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations against people in authority and / or Colleagues in general

2B. To encourage employees to bring ethical and legal violation by making them aware of an internal authority so that action can be taken immediately to resolve the problem

2C. To minimize the organization’s exposure to the damage that can occur when employees circumvent internal mechanisms

2D. To let employees know that the organization is serious about adherence to codes of conduct

3. SCOPE OF THE POLICY

This Policy covers malpractices and events which have taken place/ suspected to have taken place misuse or abuse of authority fraud or suspected fraud violation of company rules manipulations negligence causing danger to public health and safety misappropriation of monies instances of leak of unpublished price sensitive information as defined in the Regulation 2(1)(n) Securities And Exchange Board Of India (Prohibition Of Insider Trading) Regulations‘ 2015 and other matters or activity on account of which the interest of the Company is affected and should be formally reported.

4 DEFINATIONS

4.1 **“Alleged wrongful conduct**” shall mean violation of law Infringement of Company’s rules misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority”

4.2 “Audit Committee” means a Committee constituted by the Board of Directors of the Company in accordance with Listing Agreement as amended from time to time and Companies Act‘ 201 3

4.3 **“Board”** means the Board of Directors of the Company

4.4 **“Company**” means the Machino Plastics Limited and all its offices

4.5 **"Code"** means Code of Conduct for Directors and Senior Management Executives adopted by the Company

4.6 **"Employee**" means all the present employees and whole time Directors of the Company.

4.7 **"Protected Disclosure"** means a concern raised by an employee or group of employees of the Company through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity under the title "SCOPE OF THE POLICY'' with respect to the Company It should be factual and not speculative or in the nature of an interpretation /conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

4.8 **"Subject"** means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.

4.9 **"Vigilance and Ethics Officer"** means an officer appointed to receive protected disclosures from whistle blowers' maintaining records thereof' placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof

4.10 **"Whistle Blower"** is an employee or group of employees who make a Protected Disclosure under this Policy and also referred in this policy as complainant

5. ELIGIBILITY

All Employees of the Company are eligible to make Protected Disclosures under the Policy in relation to Matters concerning the Company

6. RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES

6.1 All Protected Disclosures should be reported in writing by the complainant as soon as possible after the Whistle Blower becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English.

6.2 The Protected Disclosure should be submitted in a dosed and secured envelope and should be super scribed as **"Protected Disclosure under the Whistle Blower policy".**

Alternatively the same can also be sent through email with the subject "Protected Disclosure under the Whistle Blower policy". If the complaint is not super scribed and closed as mentioned above it will not be possible for the Audit Committee to protect the complainant and the protected disclosure will be dealt with as if a normal disclosure

In order to protect identity of the complainant the Vigilance and Ethics Officer will not issue any acknowledgement to the complainants and Complainants are advised neither to write their name/ address on the envelope nor enter into any further correspondence with the Vigilance and Ethics Officer The Vigilance and Ethics Officer shall assure that in case any further clarification is required he will get in touch with the complainant

6.3 Anonymous/ Pseudonymous disclosure shall not be entertained by the Vigilance and Ethics Officer

6.4 The Protected Disclosure should be forwarded under a covering letter signed by the complainant The Vigilance and Ethics Officer/ Chairman of the Audit Committee/ CEO/Chairman as the case may be shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure

6.5 All Protected Disclosures should be addressed to the Vigilance and Ethics Officer of the Company or to the Chairman of the Audit Committee/ Managing Director in exceptional cases. The contact details of the Chairman of the Audit Committee are as under:

Name and Address- Mrs. Anupam Gupta
House No.20 East Park Area
(Ajmal Khan Park) Karol Bagh
New Delhi, Pin Code: 110005

Machino Plastics Limited
Maruti Joint Venture Complex,
Udyog Vihar Phase-IV, Gurgaon-122015
Email- anu65gupta@gmail.com

6.6 Protected Disclosure against the Vigilance and Ethics Officer should be addressed to the Managing Director of the Company and the Protected Disclosure against the Managing Director/Joint Managing Director of the Company should be addressed to the Chairman of the Audit Committee. The contact details of the Managing Director and the Chairman of the Audit Committee are as under:

Name and Address of Managing Director- Mr. Sanjiivv Jindall
Machino Plastics Limited
Maruti Joint Venture Complex, Udyog Vihar-IV, Gurgaon-122015
Email- sjindall@machino.com

Name and Address of the Chairman of Audit Committee- **Mrs. Anupam Gupta**
Machino Plastics Limited
Maruti Joint Venture Complex,
Udyog Vihar Phase-IV, Gurgaon-122015
Email- anu65gupta@gmail.com

6.7 In case the concerned person is not able to handle the grievances the same may be referred to Chairman of Audit Committee

6.8 On receipt of the protected disclosure the Vigilance and Ethics Officer / Managing Director/ Chairman of the Audit Committee as the case may be shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the protected disclosure or not He shall also carry out initial investigation either himself or by involving any other Officer of the Company or an outside agency before referring the matter to the Audit Committee of the Company for further appropriate investigation and needful action The record will include:

a) Brief facts;

b) Whether the same Protected Disclosure was raised previously by anyone and if so the outcome thereof;

c) Details of actions taken by Vigilance and Ethics Officer / Managing Director for processing the complaint.

d) Findings of the Audit Committee, if any

e) The recommendations of the Audit Committee/ other action(s)

6.9 The Audit Committee if deems fit may call for further information or particulars from the complainant

7. INVESTIGATION

7.1 All protected disclosures under this policy will be recorded and thoroughly investigated. The Audit Committee may investigate and may at its discretion consider involving any other Officer of the Company and/ or an outside agency for the purpose of investigation.

7.2 The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact finding process.

7.3 Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.

7.4 Subject(s) shall have a duty to co-operate with the Audit Committee or any of the Officers appointed by it in this regard.

7.5 Subject(s) have a right to consult with a person or persons of their choice, other than the Vigilance and Ethics Officer/ Investigators and/or members of the Audit Committee and/or the Whistle Blower.

7.6 Subject(s) have a responsibility not to interfere with the investigation Evidence shall not be withheld, destroyed or tampered with and witness shall not be influenced, coached, threatened or intimidated by the subject(s)

7.7 Unless there are compelling reasons not to do so‘ subject(s) will be given the opportunity to respond to material findings contained in the investigation report No allegation of wrong doing against a subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.

7.8 Subject(s) have a right to be informed of the outcome of the investigations If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.

7.9 The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems fit.

8. DECISON AND REPORTING

8.1 If an investigation leads the Vigilance and Ethics Officer/ Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Vigilance and Ethics Officer/ Chairman of the Audit Committee shall recommend to the management of the Company to take sum Disciplinary or corrective action as he may deem fit It is clarified that any disciplinary or corrective action' initiated against the Subject as a result of the findings of an investigation pursuant to this Policy, shall adhere to the applicable personnel or staff conduct and disciplinary procedures.

8.2 The Vigilance and Ethics Officer shall submit a report to the Chairman of the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.

8.3 In case the Subject is the Managing Director/Joint Managing Director of the Company' the Chairman of the Audit Committee after examining the Protected Disclosure shall forward the protected disclosure to other members of the Audit Committee if deemed fit The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.

8.4 If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal or investigating agency.

8.5 A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject to the Vigilance and Ethics Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules' procedures and policies of the Company.

9. SECRECY/ CONFIDENTIALITY

9.1 The complainant, Vigilance and Ethics Officer, Members of Audit Committee the Subject and Everybody involved in the process shall:

9.1.1 Maintain confidentiality of all matters under this Policy

9.1.2 Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.

9.1.3 Not to keep the papers unattended anywhere at anytime

9.1.4 Keep the electronic mails/ files under password

10. PROTECTION

10.1 No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under this policy. The company as a policy condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blowers Complete protection will therefore be given to Whistle Blowers against any unfair practices like retaliation, threat or intimidation of termination/ / suspension of service, disciplinary action, transfer, demotion, refusal of promotion or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties/ functions including making further Protected Disclosure The company will take steps to minimize difficulties which the Whistle Blower may experience as a result of making the Protected Disclosure Thus if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings the Company will arrange for the Whistle Blower to receive advice about the procedure etc.

10.2 A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee who shall investigate into the same and recommend suitable action to the management. The Committee if it deems fit may appoint an outside agency.

10.3 The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law The identity of the complainant will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority In the event of the identity of the complainant being disclosed‘ the Audit Committee is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure The identity of the Whistle Blower‘ if known‘ shall remain confidential to those persons directly involved in applying this policy, unless the issue requires investigation by law enforcement agencies, in which case members of the organization are subject to subpoena

10.4 Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

10.5 Provided however that the complainant before making a complaint has reasonable belief that an issue exists and he has acted in good faith Any complaint not made in good faith as assessed by the Audit Committee shall be viewed seriously and the complainant shall be subject to disciplinary action as per the Rules/ certified standing orders of the Company This policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practices etc. made pursuant to this policy.

11. ACCESS TO CHAIRMAN OF THE AUDITCOMMI’I’I’EE

The Whistle Blower shall have right to access Chairman of the Audit Committee directly in exceptional cases and the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.

12. COMMUNICATION

A whistle Blower policy cannot be effective unless it is properly communicated to employees Employees shall be informed through by publishing in notice board and the website of the company

13. RETENTION OF DOCUMENTS

All Protected disclosures in writing or documented along with the results of Investigation relating thereto, shall be retained by the Company for a period of 8 (eight) years or such other period as specified by any other law in force, whichever is more The same is accessible only to the parties involved

14. ADMINISTRATION AND REVIEW OFTHE POLICY

The Managing Director shall be responsible for the administration, interpretation, application and review of this policy. The Managing Director also shall be empowered to bring about necessary changes to this Policy, if required at any stage with the concurrence of the Audit Committee.

15. AMENDMENT

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever However, no such amendment or modification will be binding on the Employees and Directors unless the same is notified to them in writing.

The Policy should be amended only on the approval of Board after considering the recommendations of Audit Committee.

ANNEXURE – VI

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 expenditure as % of total turnover NIL

ANNEXURE – VII

EMPLOYEES DETAILS

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULES 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

i. PERCENTAGE INCREASE IN REMUNERATION OF EACH DIRECTOR, CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY DURING FINANCIAL YEAR 2018-19, RATIO OF REMUNERATION OF EACH DIRECTOR TO MEDIAN REMUNERATION OF THE EMPLOYEES OF THE COMPANY FOR THE FINANCIAL YEAR 2018-19 AND COMPARISON OF REMUNERATION OF EACH KEY MANAGERIAL PERSONNEL AGAINST THE PERFORMANCE OF THE COMPANY ARE AS UNDER

{Amount in lacs}

S.NO	NAME OF DIRECTOR/ KMP AND DESIGNATION	REMUNERATION OF DIRECTOR/ KMP FOR FINANCIAL YEAR 2018-19	% INCREASE IN REMUNERATION IN THE FINANCIAL YEAR 2018-19	RATIO OF REMUNERATION OF EACH DIRECTOR TO MEDIAN REMUNERATION OF EMPLOYEES	COMPARISION OF REMUNERATOIN OF KMP AGAINST THE PERFORMANCE OF THE COMPANY
1	Sanjiivv Jindall – Chairman cum Managing Director	60	Nil	60: 3.36	No increase in remuneration; turnover decreased by 1%, Profit after tax and before tax is Rs.40.77 lacs and Rs. 11.59 lacs respectively against the profit of the previous year of Rs. 480.29 lacs and Rs.177.57 lacs respectively.
2	Aditya Jindal- Executive Director cum Chief Financial Officer	54	Nil	54: 3.36	No increase in remuneration; turnover decreased by 1%, Profit after tax and before tax is Rs.40.77 lacs and Rs. 11.59 lacs respectively against the profit of the previous year of Rs. 480.29 lacs and Rs.177.57 lacs respectively.
3	Sarita Jindal Executive Director (not a board member)	5.36	Nil	5.36:3.36	No increase in remuneration; turnover decreased by 1%, Profit after tax and before tax is Rs.40.77 lacs and Rs. 11.59 lacs respectively against the profit of the previous year of Rs. 480.29 lacs and Rs.177.57 lacs respectively.
4	Surya Kant Agrawal- General Manager Finance cum Company Secretary	41.60	7.72%	41.60:3.36	There was 7.72% increase in remuneration; turnover decreased by 1%, Profit after tax and before tax is Rs.40.77 lacs and Rs. 11.59 lacs respectively against the profit of the previous year of Rs. 480.29 lacs and Rs.177.57 lacs respectively.

- **Note** the aforestated remuneration is excluding the contribution to Provident Fund, NPS and Commission on Net Profit. No sitting fees paid to above.
- **Note:** Following directors were paid only sitting fees during the financial year 2018-19.

  Mr. Ratan Lal Gaggar- Independent Director

Mr. Rama Krishnan - Independent Director

Mr. Sundaram Balasubramanian - Independent Director

Mrs. Anupam Gupta - Independent Director

- Following directors were not paid any remuneration and sitting fees during the financial year 2018-19

  Mr. A. K. Tomer - Nominee Director of Maruti Suzuki India Limited

  Mr. Kazunari Yamaguchi - Nominee Director of Suzuki Motor Corporation.

- The sitting fees paid by the company during the financial year 2018-19 was Rs. 15,000/- per meeting of the board or committees thereof.

  i. Median remuneration of employees during the financial year was 3.36 lacs.

  ii. In the financial year, there was an increase of 9.09% in the median remuneration of employees

  iii. There were 245 permanent employees on the role of the company as on 31.03.2019.

  iv. Relationship between average increase/decrease in remuneration and company performance: Average increased in median remuneration of employees was 9.09% whereas turnover decreased by 1%, Profit after tax and before tax is Rs.40.77 lacs and Rs.11.59 lacs respectively against the profit of the previous year of Rs. 480.29 lacs and Rs. 177.57 lacs respectively.

  v. Comparison of remuneration of the Key Managerial Personnel against the performance of the Company: The total remuneration of Key Managerial Personnel increased by 2.11 %(overall) from Rs.152.39 lacs in 2017-18 to Rs. 155.60 lacs in 2018-19.

  vi. a. Variation in market capitalization: the market capitalization as on 31.03.2019 is Rs. 76.71 lacs whereas same was Rs. 131.85 Crs in March, 2018.

  b. Price earning ratio as on 31.03.2019 is 189.39 and was 27.44 as on March, 2018.

  vii. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year 2018-19 was 8% whereas the increase in the managerial personnel for the same financial year was 2.11% (overall).

  viii. The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendation of the Human Resources, Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

  ix. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year - Not Applicable.

  x. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.

[Pursuant to rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel)Rules, 2014]

Details of Top 10 employees in terms of remuneration drawn

Sr #	Full Name	Designation	Educatinal Qualification	Age	Total Experience	Date of Joining	Remuneration paid	Nature of employment	Previous Employment	% of equity shares held	Whether employee is relative of any director or manager
1	Sanjiivv Jindall	Chairman cum Managing Director	Ph.D.	62	32	01-07-1987	6,000,000	Contractual	NA	9.15	Yes *
2	Aditya Jindal	Executive Director	B.Sc	32	10	01-10-2009	5,400,000	Contractual	NA	10.58	Yes **
3	Vijay Kumar Jain	General Manager	DPMT	56	31	19-12-2011	4,199,719	Contractual	Mag Filters & Equipments Pvt Ltd	0	No
4	Surya Kant Agrawal	General Manager cum Company Secretary	B. Com, FCS, LL.B	59	39	09-07-2010	4,173,364	Contractual	JBM MA Automotive Pvt Ltd	0	No
5	Brij Kampani	Sr General Manager	BE - Electrical	57	35	10-05-2017	3,200,676	Contractual	Imperial Auto Pvt Ltd	0	No
6	Karan Singh	Asst General Manager	Diploma in Electrical	43	22	15-06-2016	2,387,995	Contractual	Fiem Industries Limited	0	No
7	Jayvardhan Dimri	Asst General Manager	B. Tech, MBA	41	13	08-08-2016	2,367,627	Contractual	Mann And Hummel Filters Pvt Ltd	0	No
8	Sunil Kumar Goel	Asst General Manager	B.A., ITI	55	31	30-12-1987	1,994,264	Contractual	NA	0	No
9	Krishna Raj Gujre	Manager	Diploma in Electrical	54	32	01-06-2017	1,603,345	Contractual	Evershine Moulders Ltd	0	No
10	Ravinder Hooda	Dy General Manager	B. Com, PGDCA, LL.B	39	15	01-08-2008	1,378,407	Contractual	Vimal Moulders (India) Pvt Ltd	0	No

* Mr Sanjiivv Jindall being father of Mr Aditya Jindal

** Mr Aditya Jindal being son of Mr Sanjiivv Jindall

Annexure-VIII

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED

31st MARCH, 2019

To,
The Members,
Machino Plastics Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Machino Plastics Limited. (Herein after called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/our verification of the Machino Plastics Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March,2019 complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliance-mechanism in place to the extent in the manner and subject to the reporting made hereinafter:-

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Machino Plastics Limited for the financial year ended on 31st March, 2019.

According to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(vi) The Apprentices Act, 1961

(vii) The Contract Labour (Regulation & Abolition) Act, 1970

(viii) The Employees' Provident Fund & Miscellaneous Provisions Act, 1959

(ix) The Employees' State Insurance Act, 1948

(x) The Employment Exchange (Compulsory Notification of Vacancies Act), 1959

xi) The Equal Remuneration Act, 1976

(xii) The Factories Act, 1948

(xiii) The Indian Fatal Accidents Act, 1985

(xiv) The Industrial Dispute Act, 1947

(xv) The Industrial Employment (Standing Orders Act), 1946

(xvi) The Maternity Benefit Act, 1961

(xv) The Minimum Wages Act, 1948

(xvi) The Payment of Bonus Act, 1965

(xvii) The Payment of Gratuity Act, 1972

(xvi) The Payment of Wages Act, 1936

(xvii) The Workmen's Compensation Act. 1923

(xviii) The Environment Protection Act, 1986

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India. with BSE Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

(ii) The Listing Agreements entered into by the Company

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has not undertaken any specific transactions as given under below: -

(i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.

(ii) Redemption / buy-back of securities

(iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013

(iv) Merger / amalgamation / reconstruction, etc.

(v) Foreign technical collaborations-Suzuki Motor Corporation is having Shares of Rs. 941700 @ Rs. 10 per share in the company.

It should be noted that:

(i) Contingent Liabilities not provided for as per the Financial Statements are as follows: -

a) Demand under the Central Excise Act of Rs. 58,211,882 (Previous year Rs. 111,535,494)

b) Demand under the Sales Tax Act of Rs. 621,691 (Previous year Rs. 621,691).

c) Bill discounted of Rs. Nil(Previous year Rs.16,707,311)

(ii) Commitments

Estimated amount of contracts, remaining to be executed on capital account (net of advances) Rs. 20,393,000 (Previous year Rs. 121,827,656)

It should be noted that: According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, Income Tax, Sales Tax, duty of customs, duty of excise, value added tax, cess and other statutory dues as applicable with the appropriate authorities. There was no undisputed amount payable in arrears as at March 31st,2019 for period of more than six months from the date they became payable except for the sales tax, Income Tax the details of which are as under:

Name of the Statute	Nature of dues	Financial Year	Amount(Rs.)	Due Date	Paid on
The Sales Tax Act	Sales tax	2017-18	989,951	15th July,2017	Outstanding
The Income Tax Act	Interest	2000-01	107,415	29th July,2017	Outstanding
The Income Tax Act	Interest	2006-07	88,242	29th July,2017	Outstanding
The Income Tax Act	Interest	2007-08	49,087	29th July,2017	Outstanding
The Income Tax Act	Interest	2008-09	22,350	31st Jan, 2019	Outstanding
The Income Tax Act	Interest	2009-10	252,740	31st Jan, 2019	Outstanding
The Income Tax Act	Interest	2010-11	289-420	13th March, 2014	Outstanding
The Income Tax Act	Interest	2014-15	245,540	26th July, 2016	Outstanding

Particulars of dues to income tax, Sales tax, Wealth tax, Service tax, duty of customs, duty of excise, value added tax and cess as at 31st March, 2019 which have not been deposited on account of dispute have been stated below:

Name of the statute	Nature of Dues	Amount(Rs)	Amount Deposit under Protest	period	Forum Where Dispute is pending
The Central Excise Act, 1944	Exise Duty	2,258,355	Nil	F.Y 2003-04 & 2004-05	Commissioner of Central Excise, Delhi -III
The Central Excise, 1944	Excise Duty	*55,953,527	Nil	F.Y 2013-14 to 2017-18	Directorate general of Goods & Service Tax-Gurgaon

*The company during the quarter has received a show cause notice from Directorate general of goods and services-Intelligence, Gurgaon raising a demand of Rs. 55,953,527 (Including Interest) for the financial year from 2013-2014 to 2017-2018. The demand is towards short payment of Central Excise Duty (Including Education Cess and Secondary and higher Education Cess) alleging that the company has not added the value of drawings/ Designs/ specifications in the cost of Moulds/ Dies.

It should be noted that order By the Commissioner of Central Excise has been passed on 29-06-2018 for dropping the dues of excise duty amounting to Rs. 18,706,867/- Rs. 74,743,777/- and Rs.15826495/-.

It should be noted that remittance in foreign exchange towards dividend is:

Particular	Current Year(Rs)	Previous Year(Rs)
Number of non-resident shareholders	1	1
Shares held- Equity Shares of Rs.10 each	941,700	941,700
Dividend remitted during the year	941,700	1,883,400

It should be noted that Investment in equity share are measured at fair value through other comprehensive income as per IND AS 109.

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 order the Hon'ble High Court of Delhi before the 1Hon'ble Supreme Court of India by both the parties. The Hon'ble Supreme Court of India vide its order dated 29th March, 2016 dismissed both SLPs. However, it states that the order of dismissal is subject to the result of such case(s) as may be pending between the parties in respect of cancellation of shares held by the petitioner. The material is still sub-judice.

In the current circumstances the company is unable to ascertain the fair value of investment in equity shares in Caparo Maruti Limited as it is not practicably feasible to do so. Consequently, no fair value adjustment has been made in the books of accounts and these equity instruments have been carry forward at cost as at balance sheet date.

We further report that, Subject to the matter of emphasis as mentioned in the report, during the audit period the company has generally complied with the requirement of various Act, Rules and Regulations, Guidelines and standards as are applicable to the company.

Place : Gurgaon
Date : 30.05.2019

FOR A.K & ASSOCIATES
Company Secretary

ATIMA KHANNA
FCS No. - 9216
COP - 10296

Annexure-IX

Secretarial Compliance Report of Machino Plastic Limited for the year ended 31st March, 2019

I/We **A.K & Associates** have examined:

(a) All the documents and records made available to us and explanation provided by Machino Plastics Limited ("the listed entity"),

(b) The filings/ submissions made by the listed entity to the stock exchanges,

(c) Website of the listed entity,

(d) Any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended 31st March, 2019 ("Review Period") in respect of compliance with the provisions of :

  (a) The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

  (b) The Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made there under and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

(e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;

(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and circulars/ guidelines issued thereunder;

and based on the above examination, I/We hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/Remark of the Practicing Company Secretary
-	Nil	Nil	Nil

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued there under in so far as it appears from my/our examination of those records.

(c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of Violation	Details of action taken	Observation remark of Practicing company secretary, if any
-	Nil	Nil	Nil	Nil

(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observation of the practicing company secretary in previous report	Observation made in the secretarial compliance report for the year ended 31st March 2018	Action taken by listed entity, if any	Comments of the practicing company secretary on the actions taken by the listed entity
-	Nil	Nil	Nil	Nil

Place: New Delhi

Date: 30.05.2019

FOR A.K & ASSOCIATES

Company Secretary
ATIMA KHANNA
FCS No. - 9216
COP - 10296

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Industry Structure & Development

Your Company is mainly engaged in the manufacture of plastic 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 components for others.

Your company can be classified as the automotive components manufacturer in view of the application of product made. Your company has 65 nos. injection molding machines, sizes ranging from 100 Ton to 3150 Ton clamping force. Your company has been dealing in all size plastic automotive components which can be supplied by setting production facility next door to automobile industries.

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 on the growth of MSIL and its policy of inhouse production, share of business awarded to the company.

Your company is positively working towards expanding its operation to other customers.

Your company has got business for auto parts from M/s Mahle Anand Filter System Privates Ltd. For this purpose company has purchased one 200 Ton Injection Moulding Machine from Haitian, Gujarat.

The small to large size of machine range helps your company to cater to all types of customer's part requirement. 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 automotive.

The possible threats to the company can be:

- Fluctuating Market conditions
- Inhouse production by customers
- Share of business awarded
- Uncertain Monsoon Impacting Market Growth
- Uncertain Government policies
- Technological change
- Reduction in market share of main customer
- Competitions
- Interest rate Increase

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 to include mould making 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 2018-19 was marked by global uncertainties. Indian automobiles sales are expected flat in 2019-20 over 2018-19.

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

Risks & Concerns

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

- 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 demand reduction in prices every year.
- Intense competition from counterparts may add further pressure on margin of manufacturers.

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. Company has installed about 813 K.W. Solar Power Plant at its Manesar (310KW) and Gurugram (503KW) Plants. This will help in power cost management.

Your company has availed net metering facility from UHBVN/DHBVNL/ HVPNL for both Gurugram & Manesar plant of the Company which in turn will save the energy bills.

Financial Performance

The turnover of your company has decreased by 1 % from Rs.30594.32 lacs in 2017-18 to Rs. 30287.20 lacs in current year. Your company has earned a pretax profit of Rs.11.59 lacs as compared to Rs.177.57 lacs in the last year. Return on Net worth decreased from 0.093% in 2017-18 to 0.008% in 2018-19 due to lower volumes.

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 out sourced to M/s Goel 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. Your company has already adopted the suggestions scheme in the company which is increasing the employee's participation in managing the company.

In addition to the above, several health checks such as a blood test, dental care and eye test was 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 Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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.

Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders as partners in our success, and we remain committed to maximizing stakeholders' value. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all.

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 Plastics Limited 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 AS ON 30.05.2019

Total No. of Directors	Non Independent Director - Executive's	Non Independent Director - Nominee's	Independent Directors
8	2	2	4

(I) Composition of Board

The Board of Directors of your company has a combination of executive, non-executive and independent directors in compliance with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on 31st March, 2019, the Board comprises of seven 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 judgment of any independent director. The Board of Directors approves and reviews strategy and overseas 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	Directorship held in other Public Limited Companies	No. of Chairmanship/ Membership of Board Committees		Hold Directorship in other listed companies	Remarks
Mr. Sanjiivv Jindall	Promoter Director	Chairman cum Managing Director	2	--	--	--	--
Mr. Aditya Jindal	Promoter Director	Executive Director cum CFO	3	--	--	--	--
Mr. R.L. Gaggar upto 31.03.2019	Independent/ Non-Executive Director	Director	9	--	7	TIL Ltd. Sumedha Fiscal Services India Ltd International Combustion(India Ltd) Duroply Industries Limited Shree Cement Ltd	--
Mr. A.K. Tomer	Non-Executive Director	Nominee Director of Maruti Suzuki India Limited	--	--	--	--	--

Name	Category	Designation	Directorship held in other Public Limited Companies	No. of Chairmanship/ Membership of Board Committees		Hold Directorship in other listed companies	Remarks
Mr. R. Krishnan upto 27.03.2019	Independent/ Non-Executive Director	Director	1	--	--	EMBBI Industries Ltd	--
Mr. S. Balasubramanian upto 31.03.2019	Independent/ Non-Executive Director	Director	9	2	8	Jaypee Infratech Ltd GVK Power & Infrastructure Ltd Emami Paper Mills Ltd TTK Healthcare Limited Ltd Sanghi Industries Limited Ltd	--
Ms. Anupam Gupta	Independent/ Non-Executive Director	Director	--	--	--	--	--
Mr. Kazunari Yamaguchi	Non-Executive Director	Nominee Director of Suzuki Motor Corporation, Japan	1	--	--	Maruti Suzuki India Ltd	--

Notes:

- The above composition is according to regulation 26(1) and 26(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and excludes directorship/ membership in Machino Plastics Limited.
- *Mr. Ajit Yadav has been appointed as an Additional Director (Non-Executive Independent Category Director) w.e.f 23rd May, 2019 (Profile attached).
- *Dr. Sandeep Goel and Mr. Rajiv Kumar Singh have been appointed as an Additional Director (Non-Executive Independent Category Director) w.e.f 30th May, 2019 (Profile attached).
- None of the Directors are related to each other except Mr. Aditya Jindal, who is son of Mr. Sanjiivv Jindall.
- "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 judgment of Directors.
- None of the Directors is a member of more than ten committees, or a Chairman of more than five such committees across all listed entities as required under Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. For the purpose of computing the above limit, membership in audit committee and stakeholder relationship committee is considered. Further, membership or chairmanship in committees of foreign companies, private limited companies and companies under section 8 of Companies Act, 2013 have been excluded.

PROFILE OF BOARD MEMBERS

1. MR. SANJIIVV JINDALL

Mr. Sanjiivv Jindall, Chairman cum Managing Director of the Company, aged 62 years, a well-known face in plastics industry, was born on 28.06.1957. He has completed his Doctorate (Ph.D.) form 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.

An able and successful entrepreneur under whose leadership the Company could achieve and maintain impeccable operational standards. Company has successfully obtained ISO 14001, ISO/TS 16949 and OHSAS 18001.

Mr. Sanjiivv Jindall is the younger son of Mr. Murli Dhar Jindal, an eminent personality in the plastics industry. He is engaged in to the day to day operations, overall supervision and control of the Company's activities and in particular to attend to all matters concerning production planning,

manufacture, finance, administration and such other duties and services as entrusted by the Board of Directors.

Mr. Sanjiivv Jindall is not only Chairman cum Managing Director of Machino Plastics Limited but is also promoter of the company.

2. MR. ADITYA JINDAL

Aditya Jindal, Executive Director of the Company, aged 32 years, son of Mr. Sanjiivv Jindall. He did Bachelor of Science in Chemical Engineering from University of Michigan, Ann Arbor.

He joined Machino Plastics Limited in 2009 as Vice President. The company is engaged in the business of manufacturing plastic moulding and Moulding large components like Bumpers, Instrument Panels and Radiator Grills for entire range of Maruti cars.

He plays a leadership role for the organization and often fulfills a motivational role in addition to office-based work. He motivates and mentor members, staff, and chair meetings. He leads the organization and develops its organizational culture.

3. MR. KAZUNARI YAMAGUCHI

Mr. Kazunari Yamaguchi, aged 56 years, is Graduated from Department of Agricultural Engineering, Faculty of Agriculture, Kagoshima University in May 1986.

Mr. Kazunari Yamaguchi is the nominee director on the Board of Machino Plastics Limited on behalf of Suzuki Motor Corporation, Japan. He is also a director (production) on the board of Maruti Suzuki India Ltd.

4. MR. A K TOMER
Executive Advisor – New Projects & CSR
(Corp. Planning), MSIL

Mr. A.K Tomer, Director of the Company, aged 60 years, has completed his B. Tech, Mechanical Engineering from Delhi College of Engineering and started his career with Engineers India Limited (EIL) & subsequently joined Maruti Suzuki India Limited in 1984.

He started the Quality assurance dept. in Maruti & was actively involved in development of parts & vendors and headed Quality Assurance Vertical in Maruti Suzuki till 2017 which includes integrated Quality Functions starting from Development Quality to ensuring Field Quality.

He has wide exposure to various Quality functions and has played a key role in setting New Benchmarks in Quality such as Tier-2 Vendors Quality Improvement, Establishing Vendor Up gradation Division and Component Traceability Project.

Currently he is heading the Corporate Social Responsibility (CSR) & New Partnership Projects in Corporate Planning Vertical of MSIL. Under his guidance MSIL CSR is working extensively on the fields of Community Development, Skill Development, Road Safety, adoption and developments of ITIs. His hobbies include Playing Tennis, Swimming, Travelling & Driving.

5. MRS. ANUPAM GUPTA

Mrs. Anupam Gupta, aged 54 years, has completed her Chartered Accountancy (CA) in 1987, B.Com (Hon) from Jesus & Mary College, New Delhi, C.A. from Lovelock & Lewes, New Delhi.

Mrs. Anupam Gupta is a working director in Export House- Hira Lall & Son (I) Anupam Pvt, Ltd. She has a vast experience in the field of textile industries and is also a member of Indo - German Chamber of Commerce, Delhi, Delhi Exporters Associations & FIEO.

She actively participates in Social/Health camps organized by Rotary Club- South Central, New Delhi. She has adopted a girl child for education with NGO- Shanti Shahyog.

Mrs. Anupam Gupta is an independent Director on the Board of Machino Plastics Limited.

6. MR. AJIT YADAV

Mr. Ajit Yadav is Currently Advocate of Supreme Court of India and Holding the position of Managing Partner of Lexaya Partners. He has been actively associated with Functional committees of reputed trade forums and a member of many committees of the Assocham, FICCI and USIBC and actively participates in their activities. He has been a frequent speaker in several forums and electronic media on industry and corporate issues.

Educational Background:-

Attorney of India, Company Secretary, Solicitor of England & Wales

Professional Background-

- Worked in senior positions in large and reputed organizations
- Managing Partner, Lexaya Partners (a full service law firm) since Oct 2014.
- President & Group General Counsel ,Vedanta Group 2011- 2014
- Senior Partner, Fox Mandal & Co (a full service law firm) 2009- 2011
- Exec Vice President & General Counsel , Patni Computer Systems Ltd 2007- 2009.
- Executive Director-Legal. PepsiCo , South Asia 2000- 2006 (Member Board -PepsiCo Holdings Pvt. Ltd)
- Vice President –Legal & Secretarial Services ,ICI India Ltd 1997-2000
- Senior Director –Legal & Secretarial Services, Ranbaxy Laboratories Ltd 1994-1997.
- Company Secretary & Senior Legal Manager – Hindustan Lever Ltd (Unilever) 1981-94
- Started professional career with Govt. of India by joining IAS (Allied) Services and worked for Govt. of India for two years during early 80s

Work Experience

- Ajit Yadav is an accomplished corporate professional and has been a member of Executive teams / Board of Directors of reputed organizations and holds more than thirty years of rich and diverse experience. He carries vast and valuable experience of supporting businesses at the Board Level and for developing strategic perspectives in the areas which are critical for successfully running of the businesses at the apex level from law and regulatory standpoint.
- Ajit is known for his capabilities as a business lawyer and for using law as an enabler function to provide efficient solutions to business legal issues. He has successfully developed robust strategies for resolving complex business issues impacted by legal framework and steering them to satisfactory closure. He has done considerable work in helping organizations put in place robust governance framework, risk evaluation and remediation processes and systems which could support and propel businesses in India and overseas.
- He has done significant work in substantive areas of law such as corporate law, central excise/indirect tax, competition laws, transactional laws, Labor laws , Food laws, IPRs, M&A , Transfer Pricing issues , export import regulations, capital market/fund raising, Power & Infrastructure laws and regulatory compliance areas for Indian and international businesses for manufacturing and service sector. Ajit has handled several high stakes commercial litigation and arbitration matters both domestic and international in ad hoc and institutional frameworks like LCIA, ICC and Singapore.
- Apart from transactional law work, he has excelled in handling of litigation work as well apart from strategizing complex commercial litigations and holds vast experience in personally appearing before tribunals and courts in commercial litigation and has argued cases successfully.
- Ajit holds unique experience and skills in public service (IAS Allied Services) as well as private sector. This has helped him great deal in developing skills in the area of policy advocacy and networking for addressing business issues.

Litigation Practice

Ajit has set up his own litigation practice and a law Firm- Lexaya Partners - a corporate, business law advisory and litigation law firm. The practice is focused and works in the area of indirect tax, infrastructure, insolvency & asset restructuring, arbitration and commercial law matters. Ajit regularly appears and argues matters before Tribunals, DRAT, NCLT, High Court and Supreme Court of India for his litigation practice.

7. DR. SANDEEP GOEL

Dr. Sandeep Goel is an Associate Professor in the area of Accounting and Finance at Management Development Institute, Gurgaon. He holds 'Double Doctorate', one in Finance; and another in Accounting from Faculty of Management Studies (FMS), University of Delhi. He did his Hons. in Commerce from Shri Ram College of Commerce, University of Delhi and Master's degree in Commerce with specialisation in Finance from Department of Commerce, University of Delhi.

He has over two decades of industry and academic experience in key positions in organizations/ institutions, including Shri Ram Group, University of Delhi and Management Development Institute (MDI) Gurgaon. He also has hands on experience in the family business in business compliance and financial management functions.

He has got extensive international experience in different parts of the world, including the US, Europe, Canada and Asia. He is a Visiting Professor to Faculty of Management, University of Lodz, Poland. Besides, his cross national research and training experience includes Duke University, US; Sapienza University of Rome, Italy; Frankfurt School of Finance & Management, Germany; and Ontario College for Research and Development, University of Toronto, Canada. He offers a unique and popular course, 'Forensic Accounting and Corporate Governance' to second year students of MBA at MDI.

He is a Management Trainer and Consultant to Organizations, like National Banking Institute (Nepal), UltraTech Cements, IGL, Cairns India, Encore, Federal-Mogul Goetze (India) Ltd IOCL, SOS Village International, Bata, TIL, Ester Industries, BEL, LIC, Armed Forces, Jindal, and ONGC. He has conducted & delivered over 200 MDPs/ Training Programs at senior levels for organizations. These mainly include, Finance for *Non-Finance Executives, Independent Director's and Corporate Governance, and Enhancing Financial Skills Using Excel*. He has executed a number of Consultancy assignments; the major ones include: *Evaluation of Bid* for Municipal Corporation Gurugram, *Corporate Governance* for IOCL, *Feasibility Study for increasing coin production* at SPMCIL, *Financial Management* of BATA, *Accounting Application for SAP Professionals* of Ester Industries, and *Financial Leadership* of TIL.

He has authored 10 books, including highly acclaimed books *Finance for Non-Finance People* published by Routledge and *Financial Markets, Institutions & Services* published by PHI Learning.

He has published more than 75 research articles in national and international journals of repute. To name a few, *Australian Accounting Review, International Journal of Emerging Markets, Singapore Management Review, Journal of Financial Crime, Journal of Money Laundering Control, Australasian Accounting, Business and Finance Journal, and Vikalpa*. His cases have been published by *Ivey Publishing, Asia Case Research Centre, and Emerald Emerging Markets Case Studies*.

His interest areas are: *Financial Reporting and Analysis, Financial Management, Forensic Accounting and Corporate Governance*. He has been the Financial Columnist to 'Purchase' (A Publication of Indian Purchase. com).

He has been conferred with Award for Excellence in Research, 2015-16 and Award for Excellence in Teaching, 2015-16 at MDI.

8. MR. RAJIV KUMAR SINGH

Mr. Rajiv Kumar Singh is a recognized expert on business valuation, banking, corporate finance and strategy, M&A and restructuring, forex risk management and internal controls. Rajiv uniquely blends his in-depth academic specialisation in valuation with his long years of practical exposure as consultant and trainer. Over the past twenty two years, he has carried out complex transactional valuation analyses, transfer pricing valuation, fair value measurement for IFRS/Ind-AS/NFRS/Singapore-FRS, valuation for FEMA, and intangible asset valuation. He has experience, serving as either an expert witness or consultant in array of valuation related to litigation including economic damages.

He has been retained and testified as an expert witness in India and abroad including The London Court of International Arbitration (LCIA), and ITAT in leading valuation cases relating to economic damages/transfer

pricing. He has been actively working with leading law firms in India and USA in relation to valuation matters. He consulted on a corporate restructuring plan that was a key facilitator in a complete turnaround of a leading PSU in construction industry which currently has "Navratana" status. He has served more than 200 valuation clients in India, USA, UK, Singapore, Hong Kong, China, Mauritius, Nepal and Dubai, and is frequently retained in complex valuation disputes. He has also provided consulting services to FOREX dealing room/treasury of leading banks and corporates. Rajiv contributed significantly in developing the first Business Valuation Standards in India issued by the ICAI in 2010, and designing and delivering the first valuation course of the ICAI and the ICSI. He was a member of the Accounting Standards Board of the ICAI for development of IndAS-113 (Fair Value Measurement). He has also contributed significantly in designing and delivering the first Forex and Treasury Management course and Master of Business Finance course of the ICAI.Rajiv is a fellow member of the ICAI. He is on the Board of Union bank of India and is chairman of the Audit Committee of the Board.

He is a qualified Certified Information system auditor (USA), a qualified valuer from the ICAI and a registered valuer with IBBI. He cherished his role as the first Joint Technical Director and Visiting Professor of Valuation and Masters in Business Finance courses of the ICAI. Since 2008, he has trained more than 5000 Chartered Accountants/ Company Secretaries/MBAs in India and Nepal. He trains summer interns/start-up entrepreneurs from IIMs/IIT Delhi/ IIT Roorkee/IFMR/TAPMI/Narsee Monjee on a regular basis in business valuation area. His approach to teaching and training is structured and practical.

Rajiv has presented, instructed and written on topics related to valuation, banking and corporate finance. He has been a speaker in more than 700 seminars and training programs on valuation, banking and finance related topics at different professional/industry platforms including ICAI, ICSI, IICA, ICAN, VGSOM (IIT KGP), IIT Roorkee, IIT Delhi, ASSOCHAM, PHD Chambers and other similar forums.

Board Membership Criteria and list of core skills / expertise / competencies identified in the context of the business:

The Board of Directors are collectively responsible for selection of a Member on the Board. The Nomination and Remuneration Committee of the Company follows defined criteria for identifying, screening, recruiting and recommending candidates for election as a Director on the Board. The criteria for appointment to the Board include:

- composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a listed Company;
- desired age and diversity on the Board;
- size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with the requirements of law;
- professional qualifications, expertise and experience in specific area of relevance to the Company;
- balance of skills and expertise in view of the objectives and activities of the Company;
- avoidance of any present or potential conflict of interest;
- availability of time and other commitments for proper performance of duties;
- personal characteristics being in line with the Company's values, such as integrity, honesty, transparency, pioneering mindset.

In terms of requirement of Listing Regulations, 2015, the Board has identified the following core skills / expertise / competencies of the Directors in the context of the Company's business for effective functioning as given below:

S. NO.	DIRECTOR NAME	CORE SKILLS / EXPERTISE / COMPETENCIES
1	**Mr. Sanjiivv Jindall**	Mr. Sanjiivv Jindall, Chairman cum Managing Director has rich experience in the field of plastic moulding and marketing and is associated with the company since its inception. He is a successful entrepreneur under whose leadership the Company could achieve and maintain impeccable operational standards. Under his supervision, 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.

S. NO.	DIRECTOR NAME	CORE SKILLS / EXPERTISE / COMPETENCIES
2	**Mr. Aditya Jindal**	Mr. Aditya Jindal, Executive Director cum CFO has involved in day to day operations, overall supervision and control of the Company's activities and in particular to attend to all matters concerning production planning, manufacture, finance, administration and such other duties and services as entrusted by the Board of Directors. He plays a leadership role for an organization and often fulfills a motivational role in addition to office-based work. He motivates and mentor members, staff, and may chair meetings. He leads the organization and develops its organizational culture.
3	**Mr. R.L. Gaggar** (Upto 31st March, 2019)	Mr. R. L. Gaggar is a practicing solicitor and Advocate of Hon'ble High Court of Kolkata for more than 50 years. He carries with him a long and vast experience in law.
4	**Mr. A.K. Tomer**	Mr. A.K. Tomer has more than 26 years of experience in the field of quality assurance in Automobile Industry.
5	**Mr. R. Krishnan** (upto 27th March, 2019)	Mr. R. Krishnan carries with him a long and vast experience of over 40 years into the field of Corporate Law and Corporate Management. He help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
6	**Mr. S. Balasubramanian** (Upto 31st March, 2019)	Mr. S. Balasubramanian is a 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. He brings an objective view in the evaluation of the performance of board and management.
7	**Ms. Anupam Gupta**	Ms. Anupam Gupta has a vast experience in the field of textile industries and is also a member of Indo – German Chamber of Commerce, Delhi, Delhi Exporters Associations & FIEO.
8	**Mr. Kazunari Yamaguchi**	Mr. Kazunari Yamaguchi is a director(production) on the board of Maruti Suzuki India Ltd. He is graduated from Department of Agricultural Engineering, Faculty of Agriculture, Kagoshima University
9.	**Mr. Ajit Yadav**	Mr. Ajit Yadav a solicitor of England & Wales, Company Secretary and Advocate of Hon'ble Supreme Court of India. He is an accomplished corporate professional and has been a member of Executive teams / Board of Directors of reputed organizations and holds more than thirty years of rich and diverse experience. He is known for his capabilities as a business lawyer and for using law as an enabler function to provide efficient solutions to business legal issues.
10.	**Dr. Sandeep Goel**	Dr. Sandeep Goel is an Associate Professor in the area of Accounting and Finance at Management Development Institute, Gurgaon. He is a Management Trainer and Consultant to Organizations, like National Banking Institute (Nepal), UltraTech Cements, IGL, Cairns India, Encore, IOCL, SOS Village International, Bata, TIL, Ester Industries, BEL, LIC, Armed Forces, Jindal, and ONGC. He has conducted & delivered over 200 MDPs/Training Programs at senior levels for organizations. He is also a Visiting Professor to Faculty of Management, University of Lodz, Poland. He offers a unique and popular course, 'Forensic Accounting and Corporate Governance' to second year students of MBA at MDI
11.	**Mr. Rajiv Kumar Singh**	Mr. Rajiv Kumar Singh is a recognized expert on business valuation, banking, corporate finance and strategy, M&A and restructuring, forex risk management and internal controls. Rajiv uniquely blends his in-depth academic specialisation in valuation with his long years of practical exposure as consultant and trainer. He has been retained and testified as an expert witness in India and abroad including the London Court of International Arbitration (LCIA), and ITAT in leading valuation cases relating to economic damages/transfer pricing. He has been actively working with leading law firms in India and USA in relation to valuation matters.

(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 Regulation 17(7) and Part A of Schedule II of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 the 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 and its operating divisions or business segments.
- Minutes of meetings of board, audit committee and other committees of board.
- Information on recruitment and remuneration of senior officers just below the board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
- Declaration of Dividend
- Materially important litigation, show cause, demand, prosecution notices and penalty notices.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- 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 judgment 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 material in nature and 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, if material.
- 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. The draft minutes are circulated to all the members of the Board/ committee with next board agenda for their confirmation.

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, 2013 read with the Rules issued there under.

(III) Number of Board Meetings

During the last financial year, Four board Meetings were held during the year. The company has held at least one board meeting in every quarter and the maximum time gap between any such two meetings was not more than 120 days. The details of the Board meetings are as under:-

S. No.	Date	Board strength	No. of Directors present
1.	30.05.2018	8	7
2.	06.08.2018	8	8
3.	01.11.2018	8	8
4.	30.01.2019	8	7

Name	Position	Attendance at Board Meeting		Attendance at last AGM
		No of Meetings Held	No. of Meetings Attended	
Mr. Sanjiivv Jindall	Promoter/Managing Director	4	4	YES
Mr. Aditya Jindal	Executive Director	4	4	YES
Mr. R L Gaggar (upto 31.03.2019)	Independent/Non-executive Director	4	3	NO

Name	Position	Attendance at Board Meeting		Attendance at last AGM
		No of Meetings Held	No. of Meetings Attended	
Mr. Kazunari Yamaguchi	Non-executive Director/ nominee of Suzuki Motors Corporation	4	4	NO
Mr. A. K. Tomer	Non-executive Director/ nominee of Maruti Suzuki India Ltd	4	4	NO
Mr. R Krishnan (upto 27.03.2019)	Independent / Non-executive Director	4	4	YES
Mr. S. Balasubramanian (upto 31.03.2019)	Independent/Non-executive Director	4	3	NO
Ms. Anupam Gupta	Independent/ Non-Executive	4	4	NO

Director's 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 2018-19 (all figures in Rupees)			
				Sitting Fees	Salary & Perks	Commission	Total
Mr. Sanjiivv Jindall	Father of Mr. Aditya Jindal	#					
Mr. Aditya Jindal	Son of Mr. Sanjiivv Jindall	##					
Mr. R. L. Gaggar				105000			
Mr. R. Krishnan				165000			
Mr. S. Balasubramanian				120000			
Ms. Anupam Gupta				165000			
Mr. A.K. Tomer		Representative of Maruti Suzuki India Ltd					
Mr. Kazunari Yamaguchi		Representative of Suzuki Motor Corporation, Japan					

#Mr. Sanjiivv Jindall, Chairman cum Managing Director in the company and is a director in Grandmasstters Mold Ltd., a parts/moulds suppliers of the company.

Mrs. Sarita Jindal, his wife employed in the company on a monthly remuneration of Rs. 49500/-

Mr. Aditya Jindal, his son employed as an Executive Director in the company on a monthly remuneration of Rs. 4,50,000/- alongwith provident fund and other retiremental benefits

Mr. Aditya Jindal, Executive Director in the company and is also a director in Grandmasstters Mold Ltd., a spare parts/moulds suppliers of the company.

Mrs. Sarita Jindal, his mother employed in the company on a monthly remuneration of Rs. 49500/-

Mr. Sanjiivv Jindall, his father is Chairman cum Managing Director of the company at a monthly remuneration of Rs.5, 00,000/- along with provident fund and other retiremental benefits.

*Last Annual General Meeting (AGM) was held on 1st September, 2018 at the GIA House, Gurgaon.

DETAILS OF RELATED PARTY TRANSACTIONS FOR THE YEAR ENDED 31ST MARCH 2019

NAME OF RELATED PARTY	NATURE OF TRANSACTION	Amount (Rs) (2018-19)
RECEIVABLES		
Maruti Suzuki India Limited	Sale of Goods/Moulds	3,342,709,914
Suzuki Motor Gujrat Pvt Ltd	Sale of Goods	56,190,213
Suzuki Motor Cycles India Private Limited	Sale of Goods	2,814,925
Grandmaastters Mold Limited	Sale of Raw Material	603,256
PAYABLES		
Machino Polymers Limited	Purchase of Raw Materials	891,753,560
Grandmaastters Mold Limited	Purchase of material/Job Changes	17,590,907
Maruti Suzuki India Limited	Payment of cash discount	75,297
Maruti Suzuki India Limited	GST (on FOC material)	2,248,769
Mr. Sanjiivv Jindall	Remuneration	7,320,000
Ms. Sarita Jindal	Remuneration	594,000
Mr. Aditya Jindal	Remuneration	6,588,000
Mr Surya Kant Agrawal	Remuneration	4,709,548
Maruti Suzuki India, Suzuki Motor Corporation and other Promoters	Dividend	4,512,109

(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 following committees:

- Audit committee
- Stakeholder Relationship Committee
- Share Transfer Committee
- Nomination and Remuneration Committee
- Committee Against Sexual Harassment
- *Risk Management Committee

* Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable on our company. Therefore, the company has abolished Risk Management Committee from board committees in its board meeting held on 29th April, 2019.

A. Audit Committee

The Audit Committee was constituted in conformity with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The committee comprises of five directors including one promoter and four independent directors. The composition of committee is as under:

Director	Executive/Non-executive/Independent	Position	Remarks
Mr. Sanjiivv Jindall	Executive Director/ Promoter	Member	--
*Mr. R.L Gaggar	Independent Director	Member	--
*Mr. R. Krishnan	Independent Director	Chairman	--
*Mr. S. Balasubramanian	Independent Director	Member	--
Mrs. Anupam Gupta	Independent Director	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.

*Mr. Rama Krishnan has resigned from the office of an Independent Director w.e.f. 27th March, 2019 due to his preoccupations.

* Due to the completion of tenure of an Independent Director, Mr. R.L. Gaggar and Mr. Sundaram Balasubramanian have ceased to be the directors on the board of company with effect from 1st April, 2019.

*Mr. Ajit Yadav has been appointed as an Additional Director (Non-Executive Independent Category Director) w.e.f 23rd May, 2019 and member of Audit Committee.

*Dr. Sandeep Goel and Mr. Rajiv Kumar Singh have been appointed as an Additional Director (Non-Executive Independent Category Director) w.e.f 30th May, 2019 and members of Audit Committee.

Terms of reference of the Audit Committee inter alia includes:

(i) Review of the following information:

a) Any change in Accounting policies and practices;

b) Major accounting entries involving estimates based on exercise of judgment by management;

c) Significant adjustments made in the financial statements arising out of audit findings;

d) Going concern assumption;

e) Compliance with the listing and other legal requirements concerning financial statements;

f) Reviewing with the management performance of statutory auditors

g) To look into the reasons for substantial defaults in the payment to the shareholders (in case of payment of declared dividends) and creditors;

h) The functioning of whistle blowing mechanism;

i) 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;

j) Management discussion and analysis of financial condition and 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.

m) Statement of significant related parties transactions submitted by the management;

n) Internal audit report relating to internal control weaknesses; and

o) The appointment, removal and term of remuneration of the Chief Internal Auditor shall be subject to review of the committee

(ii) Disclosure of the following information:

a) **Related party transaction:**

- Identification of related parties as per Ind AS-24
- 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 form 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 four 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
30.05.2018	Yes	4
06.08.2018	Yes	5
01.11.2018	Yes	5
30.01.2019	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.

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. Sanjiivv Jindall	4	4	--
Mr. R.L. Gaggar	4	3	--
Mr. R Krishnan	4	4	--
Mr. S. Balasubramanian	4	3	--
Mrs. Anupam Gupta	4	4	--

B. STAKEHOLDER RELATIONSHIP COMMITTEE

(i) Composition:

Director	Executive/Non Executive/Independent	Position	Remarks
*Mr. R.L. Gaggar	Independent Director	Chairman	--
*Mr. R. Krishnan	Independent Director	Member	--
*Mr. S. Balasubramanian	Independent Director	Member	--
Mrs. Anupam Gupta	Independent Director	Member	--
Mr. Sanjiivv Jindall	Executive Director	Member	--

*Mr. Rama Krishnan has resigned from the office of an Independent Director w.e.f. 27th March, 2019 due to his preoccupations.

* Due to the completion of tenure of an Independent Director, Mr. R.L. Gaggar and Mr. Sundaram Balasubramanian have ceased to be the directors on the board of company with effect from 1st April, 2019.

*Mr. Ajit Yadav has been appointed as an Additional Director (Non-Executive independent Category Director) w.e.f 23rd May, 2019 and member of the Committee.

*Dr. Sandeep Goel and Mr. Rajiv Kumar Singh have been appointed as an Additional Director (Non-Executive Independent Category Director) w.e.f 30th May, 2019 and members of the Committee.

(ii) Terms of reference:

The primary function of the stakeholder relationship committee is to consider and resolve the grievances of security holder of the company. It is also responsible to oversee the performance of the Register & Transfer Agents and to recommend measures for overall improvement in the quality of investor services. Further, it shall monitor redressal of stakeholder's complaints/grievances including relating to non-receipt of allotment/refund, transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc.

Meetings:

The Shareholder's grievances committee met once in the last year. The details of the attendance of members of the committee are follows:

Meeting held on	Chairman Present	No. of Members Present
30.05.2018	No	4

Attendance of each Member at the Stakeholder Relationship Committee Meetings held during the year:

Name of the Committee Member	No. of Meetings held	No. of meetings attended
Mr. R. Krishnan	1	1
Mr. R.L. Gaggar	1	-
Mr. S. Balasubramanian	1	1
Mr. Sanjiivv Jindall	1	1
Mrs. Anupam Gupta	1	1

Compliance Officer:

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

STATUS OF SHAREHOLDERS COMPLAINTS:

The status of shareholders complaints are as under:

- Complaints received during the year – 2
- Complaints resolved during the year – 2
- Complaints pending during the year - Nil

STATUS OF UNCLAIMED SUSPENSE ACCOUNT

Status of shares in Machino Plastics Limited Unclaimed Suspense Account is as under:

- Number of shares as on 01.04.2018 – 2,640
- Request received during the year for transfer –Nil
- Request of transfer resolved during the year - Nil
- Request of transfer pending during the year – Nil
- Shares transfer to IEPF- 60
- Number of shares as on 31.03.2019 – 2580

C. SHARE TRANSFER COMMITTEE

(i) Composition:

Director	Executive/Non Executive/Independent/KMP	Position	Remarks
Mr. Sanjiivv Jindall	Executive Director	Chairman	--
Mr. Aditya Jindal	Executive Director	Member	--
Mr. Surya Kant Agrawal	Key Managerial Personal	Member	--

(ii) Meetings

Name of the Committee Member	No. of Meetings Held	No of Meeting Attended	Remarks
Sanjiivv Jindall	16	16	-
Aditya Jindal	16	16	-
Surya Kant Agrawal	16	16	-

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 transfer of shares/transmission of shares and corresponds with Registrar and Transfer agent, if need be. 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, 2015. 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.

D. NOMINATION AND REMUNERATION COMMITTEE

Composition:

Director	Executive/Non Executive/Independent	Position	Remarks
*Mr. R. Krishnan	Independent Director	Member	--
Mr. A.K. Tomer	Non- Executive Director	Member	--
*Mr. S. Balasubramanian	Independent Director	Chairman	--
Mrs. Anupam Gupta	Independent Director	Member	--
Mr. Sanjiivv Jindall	Executive Director	Member	--
*Mr. R.L. Gaggar	Independent Director	Member	--

*Mr. Rama Krishnan has resigned from the office of an Independent Director w.e.f. 27th March, 2019 due to his preoccupations.

* Due to the completion of tenure of an Independent Director, Mr. R.L. Gaggar and Mr. Sundaram Balasubramanian have ceased to be the directors on the board of company with effect from 1st April, 2019.

*Mr. Ajit Yadav has been appointed as an Additional Director (Non-Executive independent Category Director) w.e.f 23rd May, 2019 and also as a member of the Committee.

*Dr. Sandeep Goel and Mr. Rajiv Kumar Singh have been appointed as an Additional Director (Non-Executive Independent Category Director) w.e.f 30th May, 2019 and also as members of the Committee.

(i) Terms of reference

The Remuneration Committee of the Company is to review the remuneration and terms of employment of Whole time Director, KMPs, Officer one level below board 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. 15,000/- per meeting of the Board/Committee.

Meetings:

The Remuneration committee was formed by Board of Director in its meeting held on 17th Nov, 2012. The committee met once in the financial year 2018-19 on 30th May, 2018.

Attendance of each Member at the Nomination and Remuneration Committee Meetings held during the year:

Name of the Committee Member	No. of Meetings held	No. of meetings attended
Mr. R Krishnan	1	1
Mr. S. Balasubramanian	1	1
Mr. A.K. Tomer	1	1
Mr. Sanjiivv Jindal	1	1
Ms. Anupam Gupta	1	1
Mr. R.L. Gaggar	1	0

E. COMMITTEE AGAINST SEXUAL HARASMENT

The committee was constituted in line with the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act; 2013 and the Supreme Court order in Vishakha case. Accordingly every company is required to constitute a Committee against Sexual Harassment. The composition of the committee is as under:

S.NO	NAME	DESIGNATION
1.	Mrs. Simta Chopra	Chairperson
2.	Ms. Shweta Kapoor	Independent Member
3.	Mrs. Sarita Jindal	Member
4.	Mr. S.K. Agrawal	Member
5.	Ms. Reetika Pant	Member Secretary

The committee met four times in the financial year 2018-19 on 25th June, 2018, 27th September, 2018, 21st December, 2018 and 18th March, 2019. All the directors and employees of the company were given full right to approach to the committee and no complaint of any sort was received from any director or employee of the company during the year under review.

In terms of requirement of Listing Regulations, 2015, disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are given below:

a. number of complaints filed during the financial year: NIL

b. number of complaints disposed of during the financial year: NIL

c. number of complaints pending as on end of the financial year: NIL

F. RISK MANAGEMENT COMMITTEE

The committee was constituted in line with the requirement of regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The committee was formed by the board of directors of the company in their meeting held on 9th Feb, 2015. Mr. Sanjiivv Jindall and Mr. Aditya Jindal are the members of the committee.

Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable on our company. Therefore, the company has abolished Risk Management Committee from board committees in its board meeting held on 29th April, 2019.

G. ANNUAL GENERAL MEETINGS

Details of last 3 Annual General Meetings

Year	Location	Date	Time	Whether Special resolution passed	Special resolution passed through postal ballot
2017-18	GIA House, IDC, Mehrauli Road, Gurgaon	01.09.2018	11:00 a.m.	Yes	No
2016-17	GIA House, IDC, Mehrauli Road, Gurgaon	28.07.2017	11:00 a.m.	Yes	No
2015-16	GIA House, IDC, Mehrauli Road, Gurgaon	29.07.2016	10.00 a.m.	Yes	No

Note: The resolutions were passed by show of hands in last three Annual General Meetings of the company in addition to poll through ballot paper and e- voting.

M/s. A. K. Associates was appointed as scrutinizer for the process of e-voting as well as for poll results in the last Annual General Meeting.

H. INDEPENDENT DIRECTORS MEETING

As per the requirement of the Companies Act, 2013 along with the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the meeting of independent director was held on 30th January, 2019. All the Independent Directors of the company were present at the meeting except Mr. Sundaram Balasubramanian.

I. DISCLOSURES

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

- Vigil Mechanism – No complaint was received in vigil mechanism forum during the financial year 2018-19. Further none of the directors and employees were denied the access to the vigil mechanism forum.
- Mrs. Anupam Gupta has been appointed as Vigil Mechanism Officer with effect from 28.03.2019 under Whistle Blower Policy.

J. 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.

K. GENERAL SHAREHOLDERS' INFORMATION

- ✓ **Date of book closure/record date:** 7th August, 2019
- ✓ **Date and venue of AGM**

  Date: 7th August, 2019

  Day: Wednesday

  Time: 10:30

  Venue of AGM: GIA House, IDC, Mehrauli Road, Gurgaon (Haryana)
- ✓ **Dividend recommended:** 10% (Re. 1 per equity share)

✓ Financial Calendar 2019-20 (tentative and subject to change)

Financial reporting for the first quarter ending June 30, 2019	:	Aug, 2019
Financial reporting for the second quarter ending Sept 30, 2019	:	Nov, 2019
Financial reporting for the third quarter ending Dec 31, 2019	:	Feb, 2020
Annual results for the year ending Mar 31, 2020	:	May, 2020
Annual General Meeting for the year ending Mar 31, 2020	:	Aug, 2020

✓ 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-400001

✓ Stock Codes

The Stock Exchange, Mumbai : 523248

ISIN No. for NSDL and CDSL : INE082B01018

The listing fees for the financial year 2019-20 have been paid to the Stock Exchange, Mumbai.

✓ Stock market data*

The monthly high and low prices and volume of the equity shares of the company during the financial year 2018-2019 based upon BSE Price data is given below:

Month	Share Price		No. of Shares	Total Turnover (Rs.)	BSE Sensex	
	HIGH	LOW			HIGH	LOW
Apr 18	268	210	41,960	1,03,00,982	35213.3	32972.56
May 18	257.50	195	37,013	86,70,170	35993.53	34302.89
June 18	256	174	14,828	33,46,606	35877.41	34784.68
Jul 18	220	188	14,828	21,55,163	37644.59	35106.57
Aug 18	244	194	10,798	22,82,674	38989.65	37128.99
Sep 18	213	154.85	35,835	66,50,217	38934.35	35985.63
Oct 18	174.90	125	32,509	45,81,077	36616.64	33291.58
Nov 18	152	127	32,509	16,34,139	36389.22	34303.38
Dec 18	161.40	130.50	32,509	16,34,139	36554.99	34426.29
Jan 19	157.95	128.60	1,23,179	1,72,76,969	36701.03	35375.51
Feb 19	135.95	109.00	10,081	11,86,963	37172.18	35287.16
Mar 19	144.30	116.00	13,764	17,38,400	38748.54	35926.94

*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 De-mat mode, the procedure is adopted as stated in Depositories Act, 1996.

✓ **Distribution of shareholding as on 31st March, 2019**

No. of equity shares held	Number of Share Holders		Shareholding	
	Numbers	%	Numbers	%
1-100	1428	46.651	78812	1.284
101-500	1332	43.515	333896	5.441
501-1000	165	5.39	124105	2.022
1001-5000	106	3.463	244639	3.986
5001-10000	10	0.327	74216	1.209
10001-20000	7	0.229	121717	1.983
20001-30000	3	0.098	78930	1.286
30001-40000	1	0.033	30025	0.489
40001-50000	0	0	0	0
50001-100000	2	0.065	153226	2.497
100001-500000	2	0.065	385818	6.287
500001-Above	5	0.163	4511416	73.514

Pattern of shareholding by ownership as on 31st March, 2019

Category	Shareholding	
Promoter' s Holding	**Numbers of Shares Held**	**Shareholding %**
Promoters		
-Indian Promoters	35,70,406	58.18
-Foreign Promoters	941,700	15.35
Persons Acting in Concert	--	--
Sub- Total (A)	**45,12,106**	73.53
Non-Promoter Holding		
Institutional Investors	-	-
Mutual Funds and UTI, Banks, Financial Institution, (Central/State Govt. Institutions/non-government institutions) Central Govt. /State Govt.- IEPF Authority	850 67823	0.01 1.11
FIIs	--	--
Sub-Total (B)	**68673**	1.12
Others		
Corporate Bodies	138310	2.25
Indian Public(including NSDL & CDSL)	1411892	23.01
NRIs/OCBS	5719	0.09
Trusts	100	0.00
Sub-Total (C)	**1556021**	25.35
Grand Total(A+B+C)	6,136,800	100

✓ **As at 31.03.2019 :**

Shares held in Physical form : 142451 Shares
Shares held in Dematerialized form : 5994349 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	9,41,700	15.35%
Suzuki Motor Corporation	Promoter	9,41,700	15.35%
Jindal's, Relatives & Associate Companies	Promoter	26,28,706	42.84%

✓ **Outstanding GDR/ADR/Warrants or any convertible instrument**

No outstanding GDR/ADR/Warrants or any convertible instrument as on 31.03.2019.

Plant Locations

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

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

Plant III:
Machino Plastics Limited
Plot No. 527, Industrial Area
Sec-3, Pithampur dist. Dhar
Madhya Pradesh-454775
(Not Commenced Production)

Warehouse:
Machino Plastics Limited (Plant IV)
Plot No.81, Sector -8, IMT Manesar-122050
(Leased/Rented)

✓ **Share Transfer Agent**

"Alankit Assignments Limited"
RTA Division-Machino Plastics Limited
3E/7, Jhandewalan Extn.
New Delhi-110055.
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
Email: **sec.legal@machino.com**

Or

"Alankit Assignments Limited"
RTA Division-Machino Plastics ltd.
3E/7, Jhandewalan Extn,
New Delhi-110055
Ph. No. 011-42541234
Email: **alankit@alankit.com**

✓ **Credit Rating**

CRISIL has assigned long term rating CRSIL BBB+/Positive and short term rating CRISIL A2 indicating outlook of the company.

✓ **Unclaimed Dividends**

Pursuant to section 124 of the Companies Act, 2013, unclaimed dividends up to the financial year 2010-11 have been transferred to the Investor Education and Protection Fund of the Central Government.

Further, your company has not declared any dividend during Financial Year 2011-12.

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.**

✓ **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 unable consolidation of their holding into one folio.

Note: The details are given purely by way of information. Members may make their own judgment 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/AFFIRMATION

(in pursuance of Regulation 17(5) & 26(3) of SEBI (LODR) Regulations, 2015)

The Company has adopted the code of conduct for board members and senior management personnel under regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 the provisions of the CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL have been followed and complied with, as required under Regulation 26(3) of SEBI (LODR) Regulations 2015, for the year ended on 31st March 2019.

Place: Gurugram

Date: 30th May, 2019

For Machino Plastics Ltd

Sd/-
Sanjiivv Jindall
Chairman cum Managing Director

CEO CERTIFICATION

We, Sanjiivv Jindall, Chairman cum Managing Director and Aditya Jindal, Executive Director cum Chief Financial officer of Machino Plastics Limited to the best of my knowledge and belief hereby certify that:

(a) We have reviewed financial statements and the cash flow statement for the financial year ended on 31st March, 2019 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 our 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) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We 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 significant role in the company's internal control system over financial reporting.

For Machino Plastics Ltd

Sd/-
Aditya Jindal
Executive Director cum Chief Financial Officer

Sd/-
Sanjiivv Jindall
Chairman cum Managing Director

Place: Gurugram
Date: 30th May, 2019

CERTIFICATE

To
The Members of
Machino Plastics Limited

We have examined the compliance of conditions of Corporate Governance by Machino Plastics Limited for the year ended 31st March 2019 as stipulated in Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015 of the said Company with the Stock Exchange.

The compliance of Conditions of Corporate Governance is the responsibility of the management. Our Examination was limited to procedures and implementation thereof, adopted by company for ensuring the compliance of 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 above mentioned Listing Regulations.

We state that no investor grievance(s) is pending for a period exceeding one month against the company as per records maintained by the company.

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 A.K. & Associates

Sd-
Atima Khanna
M.No. – F9216
COP. – 10296

Place: Gurugram
Date: 30th May, 2019

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Machino Plastics Limited
Plot No. 3, Maruti Joint Venture
Complex, Gurgaon, Haryana

I/We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s Machino Plastics Limited having CIN L25209HR2003PLC035034 and having registered office at Plot No. 3, Maruti Joint Venture Complex, Gurgaon, Haryana (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my/our opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me / us by the Company & its officers, I/We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For A.k & Associates

Place : Gurugram
Date : 30.05.2019

Atima Khanna
Practicing Company Secretary
M. No.- F9216
COP. No.- 10296

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MACHINO PLASTICS LIMITED

Report on the Audit of the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **Machino Plastics Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *"Auditor's Responsibilities for the Audit of the Ind AS Financial Statements"* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial staements for the financial year ended March 31,2019. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditors responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind As financial statements. The results of the audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

Key Audit Matter	**Auditor's Response**
Contingent Liabilities (as described in note 34 of the Ind As financial statements)	
As of March 31, 2019, the Company has disclosed contingent liabilities of Rs.588.34 lakhs relating to tax claims. Taxation exposures have been identified as a key audit matter due to the uncertainties involved in these tax claims.	Our audit procedures included the following: • Gained an understanding of the process of identification of claims and contingent liabilities, and evaluated the design and tested the operating effectiveness of key controls.

Due to uncertainty of cases, timescales for resolution and need to negotiate with various authorities, there is significant judgement required by management in assessing the exposure of each case and thus a risk that such cases may not be adequately provided for or disclosed in the Ind As financial statements. Accordingly, contingent liabilities were determined to be a key audit matter in our audit of the Ind As financial statements.	• Obtained the Company's cases summary and critically assessed management's position through discussions with the Tax head and company management, on both the probability of success in significant cases, and the magnitude of potential loss. • Checked the adequacy of the disclosures with regard to facts and circumstances of the matters.

Other Information

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual report, but does not include the Ind AS financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards(Ind As) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficientand appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements. Refer Note 41 to the financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For KMGS & Associates
Chartered Accountants
(Firm's Registration No. 004730N)

(LALIT GOEL)
(Partner)
(Membership No. 091100)

Place of Signature: Gurugram
Date: 30th May 2019

Annexure 'A' to the independent auditor's report of even date on the Ind AS financial statements of MACHINO PLASTICS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Machino Plastics Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintain internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable details, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the Inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changed in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountant of India.

For KMGS & Associates
Chartered Accountants
(Firm's Registration No. 004730N)

(LALIT GOEL)
(Partner)
(Membership No. 091100)

Place of Signature: Gurugram
Date: 30th May 2019

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements of the auditors' report of even date to the members of Machino Plastics Limited on the financial statements for the year ended 31st March'2019)

In terms of information and explanations given to us and the books and records examined by us, we report that:

(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.

(c) Based upon the audit procedures performed, the title deeds of the immovable property are held in the name of the company.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year. No material discrepancies were noticed on physical verification carried out at the end of the year.

(iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, sub-clause (a) and (b) are not applicable.

(iv) In our opinion and according to the information and explanations given to us, the company has not given any loan, made any investment, given any guarantee, and provided any security which is covered by Section 185 and 186 of the Companies Act 2013. Accordingly, the provisions of clause 3(iv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

(v) The Company has not accepted any deposits from the public. Accordingly, the provisions of clause 3(v) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

(vi) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 148 of the Companies Act, 2013 for the products of the Company.

(vii) (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 regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues as applicable with the appropriate authorities. *There was no undisputed amounts payable in arrears, as at March 31st, 2019 for period of more than six months from the date they became payable except for the Sales Tax, the details of which is as under:*

Name of the Statute	Nature of dues	Financial Year	Amount (Rs.)	Due Date
The Sales Tax Act	Sales Tax	2017-18	989,951	15th July, 2017
The Income Tax Act	Interest	2000-01	107,415	29th July, 2017
The Income Tax Act	Interest	2006-07	88,242	29th July, 2017
The Income Tax Act	Interest	2007-08	49,087	29th July, 2017
The Income Tax Act	Interest	2008-09	22,350	31st Jan, 2019
The Income Tax Act	Interest	2009-10	252,740	31st Jan, 2019
The Income Tax Act	Interest	2010-11	289,420	13th March, 2014
The Income Tax Act	Interest	2014-15	245,540	26th July, 2016

(b) According to the information and explanations given to us, particulars of dues of Income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess as at March 31st 2019 which have not been deposited on account of a dispute have been stated below:

Name of the Statute	Nature of dues	Amount (Rs.)	Amount Deposit under protest	Period	Forum where dispute is pending
The Central Excise Act,1944	Excise Duty	2,258,355	Nil	F.Y 2003-04 & 2004-05	Commissioner Of Central Excise, Delhi-III
The Central Excise Act,1944	Excise Duty	55,953,527	Nil	F.Y 2013-14 to 2017-18	Directorate General of Goods and Services Tax-Intelligence Gurgaon

(viii) 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.

(ix) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained. The company has not raised any money by way of initial public offer or further public offer (including debt instruments).

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) Based upon the information and explanations given to us by the management, the Company has paid or provided the managerial remuneration in accordance with the requisite approvals mandated by provisions of section 197 read with Schedule V to the Companies Act.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

(xiii) Based on information and explanations given to us by the management, all transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the Ind AS financial Statements as required by the applicable Indian Accounting Standards.

(xiv) Based on information and explanations given to us by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review. Accordingly, the provisions of clause 3(xiv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transaction with directors or person connected with him which is covered by Section 192 of the Companies Act 2013. Accordingly, the provisions of clause 3(xv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

(xvi) In our opinion and according to the information and explanations given to us, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

For KMGS & Associates
Chartered Accountants
(Firm's Registration No. 004730N)

(LALIT GOEL)
(Partner)
(Membership No. 091100)

Place of Signature: Gurugram
Date: 30th May 2019

Balance Sheet as at 31 March 2019

(All amount in rupees, Unless otherwise stated)

Particulars	Notes	As at 31 March 2019	As at 31 March 2018
Assets			
Non Current assets			
(a) Property, plant and equipment	3	1,401,037,194	1,210,397,717
(b) Capital work in progress		45,164,150	63,498,423
(c) Other intangible assets	4	9,098,016	146,104
(d) Financial assets			
(i) Investments	5	12,500,000	12,500,000
(ii) Other financial assets	6	18,486,729	8,186,144
Other non current Assets	7	25,000	33,060
		1,486,311,089	1,294,761,448
Current Assets			
(a) Inventories	8	104,105,994	79,558,196
(b) Financial assets			
(i) Trade receivable	9	384,104,105	436,379,374
(ii) Cash and cash equivalents	10	60,465,708	104,896,195
(iii) Bank balance other than (ii) above	11	1,893,807	1,108,914
(iv) Other financial assets	12	423,773	445,318
(c) Other assets	13	42,461,134	38,441,688
		593,454,521	660,829,685
Total		**2,079,765,610**	**1,955,591,133**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	14	61,368,000	61,368,000
(b) Other Equity	15	549,896,525	552,147,010
		611,264,525	**613,515,010**
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowing	16	420,646,612	449,495,878
(b) Provisions	17	-	2,391,554
(c) Deffered Tax Liabilities (Net)	18	79,966,401	82,390,029
		500,613,013	**534,277,461**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	560,150,861	414,279,140
(ii) Trade payables	20		
- Due to micro enterprises and small enterprises		4,159,670	109,513
- Due to creditors other than micro enterprises and small enterprises		81,724,362	64,449,585
(iii) Other Financial Liabilities	21	247,309,733	248,327,682
(b) Other Current Liabilities	22	74,543,446	80,013,022
(c) Provisions	23	-	264,925
(d) Current Tax Liabilities (Net)	24	-	354,795
		967,888,072	807,798,662
Total		**2,079,765,610**	**1,955,591,133**
Significant accounting policies	1 to 2		

As per our report attached

For KMGS & Associates
Chartered Accountants
Firm Registration No: 004730N
Lalit Goel
Partner
Membership No: 091100

Place : Gurgaon
Date : 30th May 2019

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

Anupam Gupta	**Aditya Jindal**	**Sanjiivv Jindall**
Director	Executive Director cum	Chairman cum Managing
DIN- 00335437	Chief Financial Officer	Director
	DIN - 01717507	DIN - 00017902
Surya Kant Agrawal	**A. K. Tomer**	**Kazunari Yamaguchi**
General Manager - (F)	Director	Director
Company Secretary	DIN- 01990678	DIN-07961388
DIN - 01606920		

Statement of Profit and Loss for the year ended 31 March 2019

(All amount in rupees, Unless otherwise stated)

Particulars	Note	Year ended 31 March 2019	Year ended 31 March 2018
Revenue from operations	25	3,028,719,795	3,178,741,816
Revenue from operations (net) (1)		3,028,719,795	3,178,741,816
Other income (2)	26	4,954,297	2,661,865
Total Income (1 + 2)		**3,033,674,092**	**3,181,403,681**
Expenses:			
Cost of materials consumed	27	1,809,234,143	1,863,549,033
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	28	(19,850,480)	(13,956,862)
Employee benefits expense	29	325,150,151	312,819,554
Excise duty on sale of goods	30	-	119,309,351
Finance costs	31	65,474,295	72,711,845
Depreciation and amortization Expense	32	194,455,570	190,707,632
Other expenses	33	658,050,554	618,505,769
Total expenses		3,032,514,233	3,163,646,322
Profit / (Loss) before tax		**1,159,859**	**17,757,359**
Tax expense:			
- Current tax		-	3,835,720
- Earlier year tax		7,471	(13,171,502)
- Deferred tax		(2,924,672)	(20,935,548)
		(2,917,201)	(30,271,331)
Profit / (Loss) for the year		4,077,060	48,028,690
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss		1,515,424	936,550
(ii) Income tax relating to items that will not be reclassified to profit or loss		(501,045)	(309,652)
Total Comprehensive Income for the period		**5,091,439**	**48,655,588**
Earnings per Equity Share			
(1) Basic		0.66	7.83
(2) Diluted		0.66	7.83

For KMGS & Associates
Chartered Accountants
Firm Registration No: 004730N

Lalit Goel
Partner
Membership No: 091100

Place : Gurgaon
Date : 30th May 2019

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

Anupam Gupta
Director
DIN- 00335437

Aditya Jindal
Executive Director cum Chief Financial Officer
DIN - 01717507

Sanjiivv Jindall
Chairman cum Managing Director
DIN - 00017902

Surya Kant Agrawal
General Manager - (F)
Company Secretary
DIN - 01606920

A. K. Tomer
Director
DIN- 01990678

Kazunari Yamaguchi
Director
DIN-07961388

Cash Flow Statement for the year ended 31 March 2019

(All amounts in Rupees, unless otherwise stated)

	Cash flow statement	Year ended 31 March 2019	Year ended 31 March 2018
A	**Cash flows from operating activities**		
	Profit for the year	1,159,859	17,757,359
	Adjustments for:		
	- Depreciation	194,455,570	190,707,632
	- Interest and finance charges	65,474,295	72,711,845
	- Unrealised foreign exchange loss / (gain) net	2,082,268	49,146
	- Profit on sale of fixed assets	(660,387)	(2,103,700)
	- Interest income on fixed deposits	-	(9,921)
	Operating profit before working capital changes	262,511,605	279,112,361
	Adjustments for :		
	- (Increase) / decrease in inventories	(24,547,798)	(16,242,877)
	- (Increase) / decrease in trade receivables	52,225,769	(85,791,166)
	- (Increase) / decrease in other financial assets (excluding advance tax)	1,283,385	75,207,231
	- (Increase) / decrease in other current assets	21,545	(370,899)
	- Increase / (decrease) in trade payables	21,324,933	39,200,012
	- Increase / (decrease) in other current liabilities	(7,502,344)	35,507,694
	- Increase / (decrease) in other financial liabilities and provision (excluding provision for tax)	(11,952,604)	21,791,817
	- Change in non current assets	8,060	34,683
	Cash generated from operations	293,372,551	348,448,856
	- Income tax refund / (paid)	(5,665,096)	(6,235,765)
	Net Cash flow generated from operating activities	**287,707,455**	**342,213,091**
B	**Cash flow from investing activities**		
	- Additions to PPE and intangible assets (including net movement in CWIP)	(377,702,299)	(88,562,315)
	- Proceeds from sale / disposal of property, plant and equipment	2,650,000	5,845,000
	- Change in retention money	(10,300,585)	(784,806)
	- Interest received	-	9,921
	- Margin money deposit	-	492,261
	- Investment in bank deposit	-	553,696
	- Earmarked balance	(784,893)	(214,046)
	Net cash flows (used in) investing activities	**(386,137,777)**	**(82,660,289)**

Cash Flow Statement for the year ended 31 March 2019

(All amounts in Rupees, unless otherwise stated)

Cash flow statement	Year ended 31 March 2019	Year ended 31 March 2018
C Cash flow from financing activities		
- Proceeds from long term borrowings	129,988,559	-
- (Repayments of) long term borrowings	(150,037,270)	(84,606,227)
- (Repayments of) / Proceeds from short term borrowings (net)	145,871,721	(19,365,171)
- Dividend paid (including dividend distribution tax)	(7,341,923)	(14,772,220)
- Interest and finance charges paid	(64,481,252)	(71,522,595)
Net cash flows (used in)/ generated from financing activities	**53,999,835**	**(190,266,213)**
Net change in cash and cash equivalents (A+B+C)	(44,430,487)	69,286,589
Cash and cash equivalents- opening balance	104,896,195	35,609,606
Cash and cash equivalents- closing balance	60,465,708	104,896,195
Notes to cash flow statement:		
Cash and cash equivalents include :		
Cash on hand	234,354	659,908
Balances with banks:		
Current accounts	60,231,354	104,236,287
Cash and cash equivalents at the end of the year [refer note no 10]	**60,465,708**	**104,896,195**

Significant accounting policies

Notes on financial statements

As per our report attached

For KMGS & Associates
Chartered Accountants
Firm Registration No: 004730N

Lalit Goel
Partner
Membership No: 091100

Place : Gurgaon
Date : 30th May 2019

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

Anupam Gupta
Director
DIN- 00335437

Aditya Jindal
Executive Director cum Chief Financial Officer
DIN - 01717507

Sanjiivv Jindall
Chairman cum Managing Director
DIN - 00017902

Surya Kant Agrawal
General Manager - (F)
Company Secretary
DIN - 01606920

A. K. Tomer
Director
DIN- 01990678

Kazunari Yamaguchi
Director
DIN-07961388

Note 1:-

SIGNIFICANT ACCOUNTING POLICIES

1. General Information of the Company:-

Machino Plastic Limited is a public limited company incorporated as on 02nd April, 1986 under the erstwhile Companies Act, 1956 in India, having its registered office at Plot No 3, Maruti Joint Venture Complex, Gurgaon, Haryana - 122015. The company is a joint venture of Maruti Suzuki India Ltd and Suzuki Motor Corporation, Japan for the manufacture of injection moulded automotive i.e. bumpers, instrument panels, grills etc as original equipment and for spare parts market primarily for Maruti Suzuki India Limited. The company also manufactures various automotive components for others manufacturers.

2. Significant Accounting Policies

a) Basis of preparation:-

The Company has adopted accounting policies that comply with Indian Accounting standards (IND AS or Ind AS) notified by Ministry of Corporate Affairs vide notification dated 16 February 2015 under section 133 of the Companies Act 2013. Accounting policies have been applied consistently to all periods presented in these financial statements. The financial statements referred hereinafter have been prepared in accordance with the requirements and instructions of Schedule III to the Companies Act 2013, amended from time to time applicable to companies to whom Ind AS applies read with the Ind AS.

Effective 01 April 2016, the Company has adopted Ind AS and adoption was carried out in accordance with Ind AS 101 first time adoption of Indian accounting standard with 01 April 2015 as the transition date.

b) Use of Estimates:-

The preparation of financial statements require estimates and assumptions to be made that affect the reported amount of asset and liabilities on the date of the financial statements and the reported amount of the revenue and the expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

c) Summary of Significant Accounting Policy:

1. Property, Plant and Equipment (PPE): -

PPE are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The initial cost of PPE comprise its purchase price, including import duties, net of modvat/cenvat, less accumulated depreciation and include any directly attributable costs of bringing an asset to working condition and location for its intended use, including borrowing costs relating to the qualified asset over the period up to the date the assets are ready for its intended use is included in cost of relevant assets. Exchange rate variations relating to long term monetary items is charged to profit & loss if foreign currency loan is taken after 31 March 2016.

All other expenditure related to existing assets including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss in the period during which such expenditure is incurred.

The carrying amount of a property, plant and equipment is de-recognised when no future economic benefits are expected from its use or on disposal.

Machine spares that can be used only in connection with an item of fixed asset and their use is expected for more than one year are capitalized.

Depreciation on property plant and equipment is provided on straight line method based on estimated useful life of assets as prescribed in schedule II to the Companies Act, 2013.Estimated useful lives of the assets are as follow:-

Class of Assets	Rate of Depreciation
Buildings	30 Year
Plant & Machinery	15 Year
Computer	3Year
Office Equipment	5Year
Furniture	10 Year
Vehicles	8 Year
Electrical Installation	10 Year
Moulds	3 Years (WDV)
Trolley	4 Year
Bins	2Year

The property, plant and equipment acquired under finance leases, if any, is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

Cost of leasehold land, other than acquired on perpetual basis, is amortized over the lease period.

Depreciation on the assets purchased during the year is provided on pro-rata basis from the date of purchase of the assets.

Gains and losses on de-recognition/disposals are determined as the difference between the net disposal proceeds and the carrying amount of those assets. Gains and Losses if any, are recognised in the statement of profit or loss on de-recognition or disposal as the case may be.

2. **Intangible Assets**:-

Intangible assets acquired separately are measured on initial recognition at cost less accumulated amortisation and accumulated impairment losses, if any.

The cost of an intangible asset includes purchase cost (net of rebates and discounts), including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use.

The Cost of Intangible assets are amortized on a straight line basis over their estimated useful life which is as follows.

Nature of Assets	Life
Software	3 years

The amortisation period and method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from use. Gains and losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss when the asset is derecognized or on disposal.

3. **Inventories:-**

a) Inventories are valued at the lower of cost or net realizable value, less any provisions for obsolescence. 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.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

4. Impairment of tangible assets and intangible assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication based on internal/ external factors that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount

5. Foreign Exchange Transactions:-

These financial statements are presented in Indian rupees (INR), which is the Company's functional currency

Transactions in foreign currency are recorded on initial recognition at the spot rate prevailing at the time of the transaction.

At the end of each reporting period

- Monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.
- Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.
- Non-monetary items that are measured terms of historical cost in a foreign currency are not retranslated

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in profit or loss in the period in which they arise.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

i. Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as adjustment to interest costs on those foreign currency borrowings

ii. The exchange differences arising on reporting of long term foreign currency monetary items at rates different from those at which they were initially recorded in so far as they relate to the acquisition

of depreciable capital assets are shown by addition to/deduction from the cost of the assets as per exemption provided under IND AS 21 read along with Ind AS 101 appendix 'D' clause-D13AA.

iii. Exchange differences on monetary items receivable from or payable to a foreign operation which settlement is neither planned nor likely to occur (therefore forming part of the investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

6. Borrowing Cost:-

Borrowing costs specifically relating to the acquisition or construction of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. All other borrowing costs are charged to profit & loss account in the period in which it is incurred except loan processing fees which is recognized as per Effective Interest Rate method. Borrowing costs consist of interest and other costs that company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

7. Employee Benefits:-

Contribution to Provident fund/Pension fund:-Retirement benefits in the form of Provident fund / Pension Schemes are defined contribution schemes and the contributions are charged to the Profit & Loss Account in the year when the contributions to the respective funds become due. The Company has no obligation other than contribution payable to these funds.

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 has taken a policy with LIC to cover the gratuity liability of the employees. The difference between the actuarial valuation of gratuity for employees at the year-end and the balance of funds with LIC is provided for as liability in the books.

Defined benefit plans :- Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements)
- net interest expense or income and
- remeasurement

The company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Liability for a termination benefit is recognised at the earlier of when the company can no longer withdraw the offer of the termination benefit and when the company recognises any related restructuring costs.

Short-term and other long-term employee benefits:- A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. These benefits include bonus/incentives and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the company in respect of services provided by employees up to the reporting date.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date

The cost of the defined benefit gratuity plan and their present value are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The most sensitive is discount rate. The management has considers the interest rates of government bonds. Future salary increases and gratuity increases are based on expected future inflation rates.

8. Tax Expenses:-

Income Tax expense comprises of current tax and deferred tax charge or credit. Provision for current tax is made with reference to taxable income computed for the financial year for which the financial statements are prepared by applying the tax rates as applicable.

Current Tax:-Current Income tax relating to items recognized outside the profit and loss is recognized outside the profit and loss (either in other comprehensive income or in equity)

MAT:- Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The company recognizes MAT credit available as an asset only to the extent there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT Credit is allowed to be carried forward. In the year in which the Company recognizes MAT Credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of Profit and Loss and shown as “MAT Credit Entitlement.” The Company reviews the “MAT Credit Entitlement” asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the sufficient period. MAT is recognized under **other non-current assets**.

Deferred Tax:- Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed as at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will not be available against which deferred

tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets are recognized for the unused tax credit to the extent that it is probable that taxable profits will be available against which the losses will be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

9. Leases:-

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. When acquired, such assets are capitalized at fair value of the leased property or present value of minimum lease payments, at the inception of lease, whichever is lower.

Other leases are Operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and amortised over the lease term on the straight line basis

As a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Assets subject to operating leases are included in PPE. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

As a lessee

Leases in which significant portions of risks and reward of ownership are not transferred to the company as lessee are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred. **Lease hold land consider as operating lease and amortised over the lease term**.

Leases where the lessor effectively transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases and are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

10. Fair Value Measurement:-

The Company measures certain financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the

presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.

11. Financial Instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial asset is any assets that is

- Cash;
- an equity instrument of another entity;
- a contractual right:
  - (i) to receive cash or another financial asset from another entity; or
  - (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially favorable to the entity; or
- a contract that will or may be settled in the entity's own equity instruments and is:
  - (i) a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
  - (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Financial assets includes non-current investments, loan to employees, security deposits, trade receivables and other eligible current and non-current assets

Financial Liability is any liabilities that is

- a contractual obligation :
  - (i) to deliver cash or another financial asset to another entity; or
  - (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the entity; or
- a contract that will or may be settled in the entity's own equity instruments and is:
  - (i) a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
  - (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the entity offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments.

  Financial liabilities includes Loans, trade payable and eligible current and non-current liabilities

i. Classification:-

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

A financial asset is measured at amortised cost if both of the following conditions are met: the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

  A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or fair value through profit or loss.

ii. Initial recognition and measurement:-

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value at initial recognition, plus or minus, any transaction cost that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss.

iii. Financial assets subsequent measurement:-

Financial assets as subsequent measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) as the case may be.

Financial liabilities as subsequent measured at amortised cost or fair value through profit or loss

iv. Effective interest method :-

The effective interest method is a method of calculating the amortised cost of a debt instrument and allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial a classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

v. Trade Receivables:-

Trade receivables are the contractual right to receive cash or other financial assets and recognized initially at fair value. Subsequently measured at amortised cost (Initial fair value less expected credit loss). Expected credit loss is the difference between all contractual cash flows that are due to the company and all that the company expects to receive (i.e. all cash shortfall), discounted at the effective interest rate.

vi. Equity investments:-

All equity investments in scope of Ind AS 109 are measured at fair value other than investment in subsidiary, Associates and Joint venture. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by- instrument basis

vii. Cash and cash Equivalents:-

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

viii. Impairment of Financial Assets:-

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

ix. Financial liabilities:-

Financial liabilities are recognized initially at fair value less any directly attributable transaction costs. These are subsequently carried at amortized cost using the effective interest method or fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments

x. Trade payables :-

Trade payables represent liabilities for goods and services provided to the Company prior to the end of financial year and which are unpaid. Trade payables are presented as current liabilities unless payment

is not due within 12 months after the reporting period or not paid/payable within operating cycle. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

xi. Borrowings:-

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the company does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

xii. Equity Instruments:-

An equity instrument is any contract that evidences a residual interest in the assets of company after deducting all of its liabilities. Equity instruments are recognised at the proceeds received, net of direct issue costs.

xiii. Derecognition of financial instrument:-

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

xiv. Offsetting of financial instruments:-

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously

xv. Derivative Financial Instruments:-

Derivatives are initially recognised at fair value at the date the derivative contracts are entered and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss.

12. Provision and Contingent Liability:-

i. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

ii. Contingent liabilities, if material, are disclosed by way of notes unless the possibility of an outflow of resources embodying the economic benefit is remote and contingent assets, if any, is disclosed in the notes to financial statements.

iii. A provision is recognized, when company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be

required to settle the obligation, in respect of which a reliable estimate can be made for the amount of obligation. The expense relating to the provision is presented in the profit and loss net of any reimbursement.

13. Earnings Per Share

Basic Earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. For the purpose of calculating Diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

14. Revenue:-

Revenue is measured at the fair value of the consideration received or receivable, taking into account the contractually defined terms of payment net of returns and allowances, trade discounts and volume rebates, excluding taxes or duties collected on behalf of the government. Up to 30 June 2017, excise duty is the liability of manufacturer which forms the part of cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the company on its own account, revenue includes excise duty. However, sales tax/ value added tax (VAT) & Goods and Service Tax (w.e.f. 01 July 2017) are not received by the Company on its own account; rather it is tax collected on the value added to the commodity by the seller on behalf of the government, and hence it is excluded from revenue in last year.

Revenue is recognized only when the significant risk and reward of the ownership is transferred to the buyer usually on delivery of the goods. Revenue is recognized to the extent that it is probable that the economic benefit will flow to the company, revenue can be reliably measured and the costs incurred or to be incurred in respect of the transaction can be measured reliably. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. The Company also considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Further, sales include revision in prices received from customers with retrospective effect. Similarly, price revision for material purchased has also been included in purchases. Further adjustments, if any, are made in the year of final settlement.

Contract balances

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets for further reference.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfer goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

Other revenue streams:

i) Interest Income

Interest Income is recognized using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash flows over the expected life of financial instrument, to the gross

carrying amount of the financial assets or to the amortised cost of the financial liability. Interest income is included under the head "other income" in the statement of profit and loss.

ii) Dividend Income

Dividend income is recognized when the Company's right to receive payment is established. (Provided that it is probable that the economic benefit will flow to the company). Dividend income is included under the head "other income" in the statement of profit and loss.

iii) Rendering of services

Revenue from service related activities is recognized as and when services are rendered and on the basis of contractual terms with the parties and is included in revenue in the statement of profit and loss under the head other income.

15. Operating cycle:-

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2 (c) Changes in accounting policies and disclosures

New and amended standards

The Company applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below. Several other amendments and interpretations apply for the first time in March 2019, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was issued on 28 March 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgment, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Company adopted Ind AS 115 using the modified retrospective method of adoption. The change did not have a material impact on the financial statements of the Comapany.

Notes forming part of the standlone financial statements for the year ended 31 March 2019

(All Amount in Rupees, Unless otherwise stated)

3. Property, plant and equipments

Particulars	Freehold land	Land (lease hold)	Building	Plant and machinery	Moulds	Moulds on finance lease	Computers & Office equipments	Motor vehicles	Total
Cost or deemed cost									
Gross Block									
As at 01 April 2017	267,101,061	-	254,103,432	1,855,192,752	663,725,134	109,046,139	45,213,614	11,155,752	3,205,537,884
Additions	-	-	14,211,966	63,280,215	3,084,000	-	2,751,849	87,818	83,415,848
Disposals	-	-	-	(10,788,864)	(4,023,700)	-	(25,500)	-	(14,838,064)
As at 31 March 2018	**267,101,061**	**-**	**268,315,398**	**1,907,684,103**	**662,785,434**	**109,046,139**	**47,939,963**	**11,243,570**	**3,274,115,668**
Additions	8,843,000	17,257,805	39,564,075	321,212,702	5,251,057	-	7,609,665	1,106,268	400,844,572
Disposals	-	-	-	-	(2,300,000)	-	-	-	(2,300,000)
As at 31 March 2019	**275,944,061**	**17,257,805**	**307,879,473**	**2,228,896,805**	**665,736,491**	**109,046,139**	**55,549,628**	**12,349,838**	**3,672,660,240**
Accumulated Depreciation									-
As at 01 April 2017	-	-	64,956,068	1,017,266,451	658,769,196	109,046,138	28,192,475	5,485,727	1,883,716,055
Charge for the year	-	-	8,287,592	176,692,029	2,600,918	-	1,826,871	1,228,046	190,635,456
Disposals	-	-	-	(9,065,661)	(1,543,674)	-	(24,225)		(10,633,560)
As at 31 March 2018	**-**	**-**	**73,243,660**	**1,184,892,819**	**659,826,440**	**109,046,138**	**29,995,121**	**6,713,773**	**2,063,717,951**
Charge for the year	-		9,707,156	178,158,335	1,671,417	-	2,473,524	1,247,050	193,257,482
Impairment				14,914,490	-	-	43,510	-	14,958,000
Disposals	-		-	-	(310,387)	-	-	-	(310,387)
As at 31 March 2019	**-**	**-**	**82,950,816**	**1,377,965,644**	**661,187,470**	**109,046,138**	**32,512,155**	**7,960,823**	**2,271,623,046**
Net Block (As at 31 March 2018)	267,101,061	-	195,071,738	722,791,284	2,958,994	1	17,944,842	4,529,797	1,210,397,717
Net Block (As at 31 March 2019)	275,944,061	17,257,805	224,928,657	850,931,161	4,549,021	1	23,037,473	4,389,015	1,401,037,194

Notes forming part of the standalone financial statements for the year ended 31 March 2019

(All Amount in Rupees, Unless otherwise stated)

4. Intangible assets

Particulars	Software	Total
Gross Block (Cost or deemed cost)		
As at 01 April 2017	5,130,576	5,130,576
Additions	-	-
As at 31 March 2018	**5,130,576**	**5,130,576**
Additions	10,150,000	10,150,000
Deletions	-	-
As at 31 March 2019	**15,280,576**	**15,280,576**
Amortization and impairment		-
As at 01 April 2017	4,912,296	4,912,296
Charge for the year	72,176	72,176
As at 31 March 2018	**4,984,472**	**4,984,472**
Charge for the year	1,198,088	1,198,088
As at 31 March 2019	**6,182,560**	**6,182,560**
Net block		
As at 31 March 2018	**146,104**	**146,104**
As at 31 March 2019	**9,098,016**	**9,098,016**

	Particulars	As at 31 March 2019	As at 31 March 2018
5	**Investments**		
	Unquoted		
	Investment in Equity Instrument		
	12,50,000 equity shares of Rs.10 each of Caparo Maruti Limited (refer note no 37)	12,500,000	12,500,000
		12,500,000	**12,500,000**
	Aggregate carrying value of quoted investments & market value thereof	-	-
	Aggregate carrying value of unquoted investments	12,500,000	12,500,000
	Aggregate amount of impairment in value of investment	-	-
6	**Other Financial assets**		
	Unsecured, considered good		
	Security Deposits	18,486,729	8,186,144
		18,486,729	**8,186,144**

7	**Other non-current assets**		
	Prepaid land lease	-	8,060
	Bank deposits with more than 12 months maturity	25,000	25,000
		25,000	**33,060**
8	**Inventories**		
	Raw materials	46,547,273	46,321,566
	Finished goods	47,243,862	27,393,382
	Packing Materials	4,794,475	4,056,913
	Stores and spares	5,520,384	1,786,335
		104,105,994	**79,558,196**
	Additional disclosure on inventory		
	Raw material		
	Polyproplene	28,937,138	32,010,274
	Nylon	509,775	2,006,486
	Bought out parts	8,034,900	7,569,608
	LLDPE	1,798,648	1,496,005
	Master batch	256,125	450,406
	HDPE	194,648	1,264,723
	ABS	1,347,603	551,840
	Iron & Steel	2,978,496	-
	Others *	2,489,940	972,224
		46,547,273	**46,321,566**
	Finished goods		
	Plastic moulded components	47,243,862	27,393,382
		47,243,862	**27,393,382**
	Packing material		
	Corrugated boxes	2,869,298	2,807,306
	Polythene & polybags	1,554,451	907,799
	Air bubble bags	322,212	285,895
	Others *	48,514	55,913
		4,794,475	**4,056,913**
	Store and spares		
	High speed diesel	1,013,856	453,590
	WD 40 & butane gas	45,485	49,953
	Spray	78,854	83,469
	Matie cloth, Old dhoti, hand gloves, emery paper, sticker & tag rag	172,344	100,159

Glass marking pencil & marker	40,330	34,771
Paint, thinner & primer	84,560	898,948
Housiary cuting	28,700	15,600
Cutter blade	5,919	45,510
Bar code sheet, pre printed invoices & other stationery items	128,401	30,708
Wax Coating	24,636	53,464
Tools for tool room	3,883,345	-
Others *	13,954	20,163
	5,520,384	**1,786,335**

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

	Particulars	**As at 31 March 2019**	**As at 31 March 2018**
9	**Trade receivables**		
	Outstanding for a period exceeding six months from the date they were due for payment		
	Unsecured, considered good	2,451,481	69,891
	Others		
	Unsecured, considered good	381,652,624	436,309,483
		384,104,105	**436,379,374**

i) The average credit period on sales of goods varies from 30 to 45 days (excluding transit period).

ii) List of customers who represent more than 5% of the total balance of trade receivables

Particulars	**As at 31 March 2019**	**As at 31 March 2018**
(i) Maruti Suzuki India Limited	272,656,935	359,283,089
(ii) Mikuni India Private Limited	27,956,405	15,611,971
(iii) Mahle Anand Filter Systems Private Limited	23,160,365	6,124,245
(iv) Ve Commercial Vehicles Limited	20,647,296	11,819,674
	344,421,001	**392,838,979**

iii) **Age of receivables**	**As at 31 March 2019**	**As at 31 March 2018**
Within the credit period	337,100,964	395,778,421
1-30 days past due	22,867,595	15,779,929
31-60 days past due	9,323,232	3,237,179
61-90 days past due	6,379,806	2,847,432
More than 90 days past due	8,432,508	2,029,102
Total	**384,104,105**	**419,672,063**

10	Cash and cash equivalents		
	Balance with Banks	60,231,354	104,236,287
	Cash on hand	234,354	659,908
		60,465,708	**104,896,195**
11	**Bank Balances**		
	Earmarked balances	1,893,807	1,108,914
		1,893,807	**1,108,914**
12	**Other Financial Assets**		
	Advance to employees	423,773	445,318
		423,773	**445,318**
13	**Other Assets**		
	Prepaid expenses	10,150,795	9,353,239
	Prepaid land lease	8,060	34,685
	Indirect taxes (includes GST input credit, Service tax input credit, Cenvat credit etc.)	5,789,252	4,138,814
	Advances to suppliers	19,920,775	24,619,225
	Investment in funded grautity	930,695	-
	Advance income tax and Tds	5,302,830	-
	Others	358,727	295,725
		42,461,134	**38,441,688**

14. Equity Share Capital

		As at 31 March 2019		As at 31 March 2018	
Note 1	**Equity Share Capital**	**Number of shares**	**Amount**	**Number of shares**	**Amount**
	Authorised Equity Share Capital				
	Equity shares of Rs 10 each	15,000,000	150,000,000	15,000,000	150,000,000
		15,000,000	150,000,000	15,000,000	150,000,000
	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	**6,136,800**	**61,368,000**	**6,136,800**	**61,368,000**

Notes forming part of the standalone financial statement for the year ended 31 March, 2019

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 31 March 2019		As at 31 March 2018	
	Number of shares	Percentage	Number of shares	Percentage
Sanjiivv Jindall	561,802	9.155%	561,802	9.155%
Aditya Jindal	649,401	10.582%	649,401	10.582%
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 buy 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
2018 - 19	-	-
2017 - 18	-	-
2016 - 17	-	-
2015 - 16	-	-
2014 - 15	-	-

B) Equity shares of Rs. 10 each buy back

Year	Number of shares	Amount in Rs
2018 - 19	-	-
2017 - 18	-	-
2016 - 17	-	-
2015 - 16	-	-
2014 - 15	-	-

15. Other Equity

		As at 31 March 2019	As at 31 March 2018
(i)	**Reserves and Surplus**		
	(a) Capital reserve	12,500	12,500
	Closing balance	**12,500**	**12,500**
	(b) General reserve		
	At the commencement of the year	210,635,625	208,635,625
	Add : Transferred from Statement of Profit and Loss	500,000	2,000,000
	Closing balance	**211,135,625**	**210,635,625**
	(c) Surplus (Profit and loss balance)		
	At the commencement of the year	241,698,382	210,441,912
	Profit / (Loss) for the year	4,077,060	48,028,690
		245,775,442	**258,470,602**
	Less: dividend paid	7,341,923	14,772,220
	Less: transferred to general reserve	500,000	2,000,000
	Closing balance	**237,933,519**	**241,698,382**
	Total reserve and surplus (a+b+c)	**449,081,644**	**452,346,507**
ii)	**Other comprehensive Income**		
	(a) Remeasurement of Defined benefit plan		
	Opening balance	1,959,697	1,332,799
	Addition / Deduction during the year	1,014,379	626,898
	Less: amount transferred to general reserve		
	Closing balance	**2,974,076**	**1,959,697**
	(b) Revaluation reserve (net of tax) (Rs 149,621,982)	**97,840,806**	**97,840,806**
	Total Comprehensive income	**549,896,525**	**552,147,010**

16	**Non-current borrowings**		
	Secured (at amortised cost)		
	From banks	354,775,755	360,736,555
	From others (TCFSL)	68,870,857	88,759,323
		420,646,612	**449,495,878**

Notes

Secured term loans from banks & others

a. 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

b. The term loan taken from Yes Bank is Rs 70,833,333 (Previous year Rs 120,833,333) which carries interest of 9.80% per annum

c. The term loan taken from Yes Bank is Rs 139,090,909 (Previous year Rs 170,000,000) which carries interest of 9.85% per annum

d. The term loan taken from Kotak Mahindra Bank Limited is Rs 76,964,875 (Previous year Rs 98,954,839) which carries interest of 9.55% per annum

e. The term loan taken from HDFC Bank Limited is Rs 76,388,889 (Previous year Rs 93,055,556) which carries interest of 9.65% per annum

f. The term loan taken from Yes Bank is Rs 74,988,559 (Previous year Nil) which carries interest of 9.95% per annum

g. The term loan taken from Yes Bank is Rs 55,000,000 (Previous year Nil) which carries interest of 10.25% per annum

h. The term loan taken from TATA Capital Financial Services Limited is Rs. 83,336,000 (Previous year Rs 100,000,000) which carries interest of 10.75% per annum

i. The term loan taken from TATA Capital Financial Services Limited is Rs. 9,204,449 (Previous year Rs 23,011,997) which carries interest of 10.80% per annum

j. Repayment schedule

		Next 1 year	1 - 3 years	Beyond 3 years
Term Loan from Banks	**As at 31 March 2019**	136,588,033	197,104,364	159,574,168
	As at 31 March 2018	119,565,722	209,964,776	153,313,230
Term Loan from others	**As at 31 March 2019**	25,868,449	33,328,000	33,344,000
	As at 31 March 2018	33,330,800	39,673,197	50,008,000

17	**Provisions (Non-Current)**		
	Provision for employee benefit		
	Gratuity	-	2,391,554
		-	**2,391,554**
18	**Deferred tax liabilities (Net)**		
	Deferred tax liabilities on account of		
	Related to carry forward business loss / employee benefits	42,960,363	51,585,346
	Related to revaluation reserve	49,949,802	49,469,516
	Others	1,346,355	1,288,212
		94,256,520	102,343,074
	Deferred tax assets on account of		
	Disallowances 43B		
	Related to employee benefits	422,523	1,612,499
	Unabsorbed depreciation	13,867,596	18,340,546
		14,290,119	19,953,045
		79,966,401	**82,390,029**

19	**Current borrowings**		
	Cash credits from banks	510,150,861	397,571,829
	Working capital demand loan	50,000,000	-
	Working capital loan	-	16,707,311
		560,150,861	**414,279,140**

Notes

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 second pari passu charge on entire fixed assets of the Company is excluding moulds and dies, Gurgaon and Manesar Plants.

* Cash credit facilities outstanding from Allahabad Bank is Rs. 9,145,752 (Previous year Rs. 1,034,473) carry interest of 12.20% 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. 220,171,358 (Previous year Rs. 27,620,927) carry interest of 9.80% computed on the daily basis on the actual amount utilized, and are repayable on demand.
* Cash credit facilities outstanding from Kotak Mahindra Bank Limited is Rs. 44,699,614 (Previous year Nil) carry interest of 9.25% computed on the daily basis on the actual amount utilized, and are repayable on demand.
* Cash credit facilities outstanding from Yes Bank Limited is Rs. 233,271,771 (Previous year Rs 368,916,429) carry interest of 9.95% computed on the daily basis on the actual amount utilized, and are repayable on demand.
* Cash credit facilities outstanding from HDFC Bank Limited is Rs 2,862,366 (Previous year Nil) carry interest of 9.75% computed on the daily basis on the actual amount utilized, and are repayable on demand.
* Working capital demand loan outstanding from Yes Bank Limited is Rs 50,000,000 (Previous year Nil) carry interest of 9.35% computed on the daily basis on the actual amount utilized, and are repayable on demand.

	Particulars	**As at 31 March 2019**	**As at 31 March 2018**
20	**Trade payables**		
	Micro and Small enterprises	4,159,670	109,513
	Others	81,724,362	64,449,585
		85,884,032	**64,559,098**

* 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 31 March 2019	**As at 31 March 2018**
(i)	the principal amount and the interest due thereon remaining unpaid to micro and small supplier as at the end of accounting year		
		4,159,670	109,513

(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		

21	**Other Financial liabilities**		
	Current maturities of long-term debt	162,456,482	152,896,522
	Interest accrued but not due on borrowings (secured)	4,174,108	3,940,471
	Unpaid dividends (equity)	1,893,807	1,108,914
	Expenses payables	50,939,264	70,297,725
	Payable on account of employees	9,667,466	8,721,533
	Creditors for capital goods	18,178,606	11,362,517
		247,309,733	**248,327,682**
22	**Other current liabilities**		
	Other payables (statutory dues)	30,735,887	40,664,732
	Other advances	387,559	387,559
	Advance received from customer	43,420,000	38,960,731
		74,543,446	**80,013,022**
23	**Provisions (Current)**		
	Gratuity	-	264,925
		-	**264,925**
24	**Current Tax Liabilities (Net)**		
	Provision for income tax	-	354,795
		-	354,795

Note	Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
25	**Revenue from Operation**		
	Sale of Products		
	Manufactured goods (including excise duty)	3,015,430,350	3,165,937,895
	Moulds	8,705,000	9,138,000
	Raw material	349,540	1,184,043
		3,024,484,890	3,176,259,938
	Less: Cash Discount	75,297	1,186,558
		3,024,409,593	3,175,073,380
	Other Operating Revenues		
	Sale of scrap	4,310,202	3,668,436
		4,310,202	3,668,436
	Total	**3,028,719,795**	**3,178,741,816**

Note:

The Government of India has implemented Goods and Services Tax ("GST") from 01st July, 2017 replacing Excise Duty, Service Tax and various other indirect taxes. Until 30 June 2017, 'Sale of products' includes the amount of excise duty recovered on sales amounting to Rs 119,309,351. The Company collects GST on behalf of the Government and is not included in 'Sale of products', and therefore revenue from 'Sale of products' for the year ended 31 March 2019 is not comparable with that of the previous year. 'Sale of products' net of excise duty for the year ended 31 March 2018 is Rs 3,059,432,465.

26	**Other Income**		
	Profit on sale of tangible fixed assets	660,387	2,103,700
	Duty draw back received	315,447	246,570
	Sundry creditors written off	2,177,183	661
	Reversal of imapirment of assets	1,469,504	-
	Interest income - bank deposits	-	9,921
	Interest income - on financial assets	331,776	301,013
		4,954,297	2,661,865
27	**Cost of material Consumed**		
	Opening stock of raw materials	46,321,566	44,158,370
	Purchases	1,812,135,827	1,867,412,229
		1,858,457,393	1,911,570,599
	Less: Closing stock of raw materials	46,547,273	46,321,566
		1,811,910,120	1,865,249,033
	Less: Cash Discount	2,675,977	1,700,000
		1,809,234,143	1,863,549,033

	Raw materials consumed		
	Plastic granules	1,626,468,073	1,618,690,422
	Bought out parts	172,604,413	237,651,997
	Moulds	7,183,040	7,206,613
	Iron / Steel	2,978,617	-
	Total	1,809,234,143	1,863,549,032
28	**Changes in inventory of finished goods**		
	Opening stock		
	Finished goods	27,393,382	15,924,765
		27,393,382	15,924,765
	Closing stock		
	Finished goods	47,243,862	27,393,382
		47,243,862	27,393,382
	Add / (Less): Impact of excise duty on finished goods	-	(2,488,245)
		(19,850,480)	(13,956,862)

Note	Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
29	**Employee Benefit Expense**		
	Salaries and wages	286,633,199	279,065,987
	Contribution to Provident and other funds *	16,347,525	13,666,725
	Staff Welfare	22,169,427	20,086,842
		325,150,151	312,819,554

^ Salary and wages includes directors remuneration of Rs 13,908,000 (previous year Rs 13,375,200)

* Includes contribution to provident and other funds for contract labour

30	**Excise duty**		
	Excise duty on sale of goods	-	119,309,351
		-	119,309,351
31	**Finance Cost**		
	Interest expenses:-		
	on term loan	55,051,925	66,046,870
	on cash credit & hundi discounting	9,820,502	5,373,332
	Other Borrowing Cost	601,868	1,291,643
		65,474,295	72,711,845

32	**Depreciation and Amortization expense**		
	Depreciation on Tangible Assets	193,257,482	190,635,456
	Amortization of Intangible Assets	1,198,088	72,176
		194,455,570	190,707,632
33	**Other expenses**		
	Operating expenses / Manufacturing expenses		
	Power and fuel	175,721,437	169,846,721
	Repairs to factory building	5,688,199	6,444,342
	Repairs to machinery	59,564,297	79,697,433
	Insurance	4,324,079	4,149,990
	Other manufacturing services	39,729,064	41,282,600
		285,027,076	301,421,086
	Administrative general expenses		
	Subscriptions membership fees	775,003	811,568
	Packing, freight and forwarding	312,099,459	262,639,988
	Foreign exchange difference loss (net)	1,483,748	122,865
	Telephone and postage	1,288,863	1,321,987
	Printing and stationery	5,387,750	4,764,319
	Lease rental	94,906	155,127
	Travelling conveyance	4,807,508	2,711,048
	Legal professional charges	3,821,419	3,142,574
	Insurance expenses	1,402,278	1,316,653
	Repairs maintenance expenses	3,328,969	3,771,369
	Vehicle running expenses	1,486,086	1,268,538
	Rent	18,449,908	18,079,262
	Rates and taxes	103,132	48,682
	Safety security expenses	12,947,381	11,207,783
	Auditor's remuneration		
	statutory audit fees	617,500	617,501
	tax audit fees	149,500	149,500
	other services	109,200	111,970
	Directors sitting fees	555,000	600,000
	Donations subscriptions	400,000	450,000
	Books periodicals	66,960	16,120
	Training expenses	1,381,068	2,021,855
	Other administrative general expenses	2,021,420	1,033,639
		372,777,058	316,362,348

Selling and distribution expenses		
Advertising promotional expenses	246,420	259,129
	246,420	259,129
Write off assets and liabilities		
Tangible fixed assets write off	-	463,206
	-	463,206
Total Expenses	658,050,554	618,505,769

34. 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. 58,211,882 (Previous year Rs. 111,535,494)

b) Demand under the Sales Tax Act of Rs. 621,691 (Previous year Rs. 621,691).

c) Bill discounted of Rs. Nil (Previous year Rs. 16,707,311)

(ii) Commitments

Estimated amount of contracts, remaining to be executed on capital account (net of advances) Rs. 20,393,000 (Previous year Rs. 121,827,656).

35. (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

Particulars	For the period ended	
	31-03-2019	31-03-2018
Present Value of Obligation as at the beginning	**19,303,023**	**15,070,588**
Current Service Cost	2,916,041	2,812,926
Interest Expenses or Cost	1,465,986	1,121,960
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	220,354	(687,279)
- change in financial assumptions	(2,332,761)	(269,013)
- experience variance (i.e. Actual experience vs assumptions)	596,983	539,386
Past Service Cost	-	2,096,753
Benefits paid	(891,061)	(1,382,298)
Present Value of Obligation as at the end	**21,278,565**	**19,303,023**

CHANGES IN FAIR VALUE OF PLAN ASSETS

Particulars	For the period ended	
	31-03-2019	31-03-2018
Fair Value of Plan Assets as at the beginning	**16,646,544**	**13,369,980**
Investment Income	1,264,237	995,355
Employer's Contribution	5,189,540	3,663,507
Employee's Contribution	-	-
Benefits Paid	(891,061)	(1,382,298)
Return on plan assets , excluding amount recognised in net interest expense	-	-
Fair Value of Plan Assets as at the end	**22,209,260**	**16,646,544**

EXPENSES RECOGNISED IN THE INCOME STATEMENT

Particulars	For the period ended	
	31-03-2019	31-03-2018
Current Service Cost	2,916,041	2,812,926
Past Service Cost	-	2,096,753
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	201,749	126,605
Expenses Recognised in the Income Statement	**3,117,790**	**5,036,284**

OTHER COMPREHENSIVE INCOME

Particulars	For the period ended	
	31-03-2019	31-03-2018
Actuarial (gains) / losses		
- change in demographic assumptions	220,354	(687,279)
- change in financial assumptions	(2,332,761)	(269,013)
- experience variance (i.e. Actual experience vs assumptions)	596,983	539,386
Return on plan assets, excluding amount recognised in net interest expense	-	-
Components of defined benefit costs recognised in other comprehensive income	**(1,515,424)**	**(416,906)**

ASSETS AND LIABILITY (BALANCE SHEET POSITION)

Particulars	As at	
	31-03-2019	31-03-2018
Present Value of Obligation	21,278,565	19,303,023
Fair Value of Plan Assets	22,209,260	16,646,544
Surplus / (Deficit)	**930,695**	**(2,656,479)**
Net Asset / (Liability)	**930,695**	**(2,656,479)**

EXPENSES RECOGNIZED DURING THE PERIOD

Particulars	For the period ended	
	31-03-2019	31-03-2018
In Income Statement	3,117,790	5,036,284
In Other Comprehensive Income	(1,515,424)	(416,906)
Total Expenses Recognized during the period	**1,602,366**	**4,619,378**

FINANCIAL ASSUMPTIONS

Particulars	For the period ended	
	31-03-2019	31-03-2018
Discount rate (per annum)	7.55%	7.60%
Salary growth rate (per annum)	8.00%	10.00%

(ii) Contribution to defined contribution plan

Particulars	For the period ended	
	31-03-2019	31-03-2018
Provident Fund	9,917,092	9,097,638

36. Other income includes interest income Rs. 331,776 (Previous year Rs. 310,934), tax deducted thereon is Nil (Previous year Rs. 393), Profit on sale of fixed assets Rs. 660,387 (Previous year Rs. 2,103,700), Sundry creditors written off Rs. 2,177,183 (Previous year Rs. 661), Duty draw back received Rs 315,447 (Previous year Rs. 246,570), Reversal of impairment of assets Rs 1,469,504 (Previous year Nil).

37. Investment in equity share are measured at fair value through other comprehensive income as per **Ind AS 109**.

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 Hon'ble Supreme Court of India vide its order dated 29th March 2016 dismissed both SLPs. However, it states that the order of dismissal is subject to the result of such case(s) as may be pending between the paties in respect of cancellation of the shares held by the petitioner. The matter is still sub-judice.

In the current circumstances, the company is unable to ascertain the fair value of investment in equity share in Caparo Maruti Limited as it is not practicably feasible to do so. Consequently, no fair value adjustment has been made in the books of accounts and these equity instruments have been carrying forward at cost as at Balance sheet date

38. 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 Ind AS-108 "Operating Segments". The geographical segmentation is not relevant, as there is insignificant export.

39. Information as required by **Ind AS 24"Related Parties Disclosures"** as follows:

List of related parties:

a. Associate companies

Maruti Suzuki India Limited

Suzuki Motor Corporation, Japan

b. Enterprises under common control

Suzuki Motor Gujarat Private Limited

Suzuki Motorcycle India Private Limited

c. Enterprises over which key management personnel

And their close members are able to exercise significant influence

Machino Motors Private Limited

Machino Techno Sales Limited

Machino Transport Private Limited

Machino Finance Private Limited

Machino Media Private Limited

Machino Auto Comp Tooling Private Limited

Machino Polymers Limited

Rajiv Exports Industries Private Limited

Grandmaastters Mold Limited

Pranaa Plastics Limited

d. Key management personnel & their close members

Mr M.D. Jindal - Chairman Emeritus (Expired on 13th January 2019)

Mr Sanjiivv Jindall - Chairman cum Managing Director & Son of Chairman Emeritus

Machino Plastics Limited

Notes to the financial statements for the year ended 31 March 2019

(All amount in Rupees, unless otherwise stated)

Ms Kamla Jindal - Spouse of Chairman Emeritus (Expired on 21st November 2018)

Ms Sarita Jindal - Spouse of Managing Director cum Chairman

Mr Aditya Jindal - Executive Director & Son of Chairman cum Managing Director

Mr Surya Kant Agrawal - General Manager cum Company Secretary

Summary of significant related transactions carried out in ordinary course of business are as under:

Nature of transactions	Associate company	Key management personnel and their relative	Enterprises over which key management personnel has significant influence	Enterprises under common control
Sale of goods / moulds	3,342,709,914	-	603,256	59,005,138
	(3,440,971,560)	-	(3,066,408)	(91,226,078)
Payment of cash discount	75,297	-	-	Nil
	(1,178,864)	-	-	(7,694)
Excise duty / GST (on FOC material)	2,248,769	-	-	-
	(2,046,993)	-	-	-
Dividend	1,883,400	1,211,891	1,416,813	-
	(3,766,800)	(2,423,782)	(2,833,626)	-
Purchase of raw material	-	-	909,344,467	-
	-	-	(813,613,440)	-
Remuneration	-	19,224,916	-	-
	-	(17,446,489)	-	-
Commission	-	Nil	-	-
	-	(636,000)	-	-

* Previous year figures have been given in (parentheses)

Balances as at 31 March 2019

Nature of transactions	Associate company	Key management personnel and their relative	Enterprises over which key management personnel has significant influence	Enterprises under common control
Sale of goods / moulds	272,656,935 (Dr)	-	Nil	17,509,328 (Dr)
	(359,683,378 (Dr))	-	Nil	(4,567,032 (Dr))
Purchase of raw material	-	-	28,612,989 (Cr)	-
	-	-	(23,077,725 (Cr))	-
Commission	-	Nil	-	-
	-	(636,000 (Cr))	-	-
Rent	-	Nil	-	-
	-	(330,000 (Cr))	-	-

* Previous year figures have been given in (parentheses)

Transactions with related parties during the year and balances in respect thereof are as follows:

S. No.	Name of the related party	Nature of transaction	Transaction amount (Rupees)	Amount outstanding as at 31March 2019
1	Maruti Suzuki India Limited	Sale of goods / moulds	3,342,709,914	272,656,935 (Dr)
			(3,440,971,560)	(359,283,089 (Dr))
		Payment of cash discount	75,297	Nil
			(1,178,864)	Nil
		GST / Excise duty (on FOC material)	2,248,769	Nil
			(2,046,993)	Nil
		Dividend	941,700	Nil
			(1,883,400)	Nil
2	Suzuki Motor Corporation, Japan	Dividend	941,700	Nil
			(1,883,400)	Nil
3	Suzuki Motor Gujarat Private Limited	Sale of goods	56,190,213	16,644,316 (Dr)
			(88,687,065)	(4,385,395 (Dr))
		Payment of cash discount	Nil	Nil
			(7,694)	Nil
4	Suzuki Motorcycle India Private Limited	Sale of goods	2,814,925	865,012 (Dr)
			(2,539,013)	(181,637 (Dr))
5	Grandmaastters Mold Limited	Sale of goods	603,256	Nil
			(3,066,408)	Nil
		Purchase of raw material	17,590,907	265,873 (Cr)
			(20,753,335)	(1,277,647 (Cr))
		Others	Nil	Nil
			Nil	Nil
6	Machino Polymers Limited	Purchase of raw material	891,753,560	28,347,116 (Cr)
			(792,860,105)	(21,800,078 (Cr))

S. No.	Name of the related party	Nature of transaction	Transaction amount (Rupees)	Amount outstanding as at 31March 2019
7	Mr Sanjiivv Jindall	Remuneration	7,320,000	Nil
			(6,691,200)	Nil
		Commission	Nil	Nil
			(318,000)	(318,000 (Cr))
		Dividend	561,802	Nil
			(1,123,604)	Nil
8	Mr Aditya Jindal	Remuneration	6,588,000	Nil
			(6,048,000)	Nil
		Commission	Nil	Nil
			(318,000)	(318,000 (Cr))
		Dividend	649,401	Nil
			(1,298,802)	Nil
9	Ms Sarita Jindal	Remuneration	594,000	Nil
			(594,000)	Nil
		Dividend	600	Nil
			(1,200)	Nil
10	Mr M D Jindal	Dividend	87	Nil
			(174)	Nil
11	Ms Kamla Jindal	Dividend	1	Nil
			(2)	Nil
12	Machino Transport Private Limited	Dividend	1,416,813	Nil
			(2,833,626)	Nil
13	Mr Surya Kant Agrawal	Remuneration	4,722,916	Nil
			(4,113,289)	Nil

* Previous year figures have been given in (parentheses)

Compensation breakup of key management personnel as per Para 17 of Ind AS 24:

(a) Short-term employee benefits

		Current Year	Previous Year
(i)	Mr Sanjiivv Jindall		
	• Basic Salary	Rs 6,000,000	Rs 6,000,000
	• Commission	Nil	Rs 318,000
(ii)	Mr Aditya Jindal		
	• Basic Salary	Rs 5,400,000	Rs 5,400,000
	• Commission	Nil	Rs 318,000
(iii)	Ms Sarita Jindal		
	• Basic Salary	Rs 495,180	Rs 495,180
	• Medical reimbursement	Rs 40,500	Rs 40,500

(iv)	Mr Surya Kant Agrawal		
	• Basic Salary	Rs 2,497,920	Rs 2,282,940
	• House Rent Allowance	Rs 1,249,212	Rs 1,141,716
	• Leave Travel Allowance	Rs 189,804	Rs 178,257
	• Production incentive	Rs 236,428	Rs 236,428
(b)	Post-employment benefits		
(i)	Mr Sanjiivv Jindall		
	• Provident fund	Rs 720,000	Rs 691,200
	• National Pension Scheme	Rs 600,000	Nil
(ii)	Mr Aditya Jindal		
	• Provident fund	Rs 648,000	Rs 648,000
	• National Pension Scheme	Rs 540,000	Nil
(iii)	Ms Sarita Jindal		
	• Provident fund	Rs 58,320	Rs 58,320
(iv)	Mr Surya Kant Agrawal		
	• Provident fund	Rs 299,760	Rs 273,948
	• National Pension Scheme	Rs 249,792	Nil

40. As per **Ind AS 33** on **"Earning per Share"**, 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 Income Statement (Rs.)	**4,077,060**	**48,028,690**
(ii)	Average no. of equity shares used as denominator for calculating EPS	**6,136,800**	**6,136,800**
(iii)	EPS (Basic) (Rs.)	**0.66**	**7.83**
(iv)	EPS (Diluted) (Rs.)	**0.66**	**7.83**
(v)	Face value of each equity share(Rs.)	**10**	**10**

41. Pursuant to Section 143(11) of the Companies Act, 2013, 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	2,258,355	Nil	F.Y. 2003-04 & 2004-05	Central Excise Depart , Gurgaon Range
The Central Excise Act,1944	Excise duty	55,953,527	Nil	F.Y. 2013-14 to 2017-18	Additional Director General (Adjud.), New Delhi

42. 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	1,808,832,880	99.98	1,863,549,033	100.00
Imported	401,263	0.02	Nil	Nil

43. C.I.F. value of imports

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Raw materials	1,823,256	Nil
Spare parts	9,760,628	3,236,161
Capital Goods	164,467,315	21,835,105

44. Expenditure in foreign currency

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Travelling expenses	1,680,640	778,496
Job Work expenses	75,907	328,874
Technical Know How Fees	13,533,508	Nil

45. Earning in foreign exchange

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Export sales against plastic parts	14,814,942	16,302,723

46. Remittance in foreign exchange towards dividends

Particulars	Current Year	Previous Year
Number of non - resident shareholders	1	1
Shares held – Equity Shares of Rs. 10 each	941,700	941,700
Dividend remitted during the year	941,700	1,883,400

47. Capital Management

The Company manages its capital to ensure that the company will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings as detailed in notes 16 and 19 offset by cash and bank balances) and total equity of the company. The company is not subject to any externally imposed capital requirements.

The Company's risk management committee reviews the capital structure of the Company on a semi-annual basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital.The Company monitors capital on the basis of following gearing ratio, which is net debt divided by total equity plus debt.

Gearing ratio:-

The gearing ratio at end of the reporting period was as follows

Particulars	As at 31 March 2019	As at 31 March 2018
Debt*	1,143,253,955	1,016,671,540
Cash and bank balances (including cash and bank balances in a disposal group held for sale)	62,359,515	106,005,109
Net Debt	1,080,894,440	910,666,431
Total Debt and Equity	1,754,518,480	1,630,186,550
Net debt to equity ratio in %	61.61%	55.86%

*Debt is defined as long-term and short-term borrowings as described in notes 16 and 19.

48. Categories of financial instruments:-

Financial Assets	As at 31 March 2019	As at 31 March 2018
Measured at amortized cost		
Trade receivable	384,104,105	436,379,374
Cash and cash equivalents	62,359,515	106,005,109
Other financial assets	18,910,502	8,631,462
Measured at FVTOCI		
Investment (Refer Note 37)	12,500,000	12,500,000
Total	**477,874,122**	**563,515,945**

Financial Liabilities	As at 31 March 2019	As at 31 March 2018
Measured at amortized cost		
Borrowings	1,143,253,955	1,016,671,540
Trade payables	85,884,032	64,559,098
Other financial liabilities	84,853,251	95,431,160
Total	**1,313,991,238**	**1,176,661,798**

49. Financial risk management:-

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the company through internal risk reports which analyses exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Corporate Treasury function reports quarterly to the company's risk management committee, an Independent body that monitors risks and policies implemented to mitigate risk exposures.

Market Risk

The company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

a) Foreign currency risk management

The company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters

The carrying amounts of the company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Particulars of unhedged foreign currency exposure as at the Balance Sheet date	Amount in Foreign Currency			Amount in Indian Currency (Rs)	
	Currency	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Payables	USD	590,753	598,753	40,778,928	38,953,447
Receivables	USD	33,734	101,462	2,331,711	6,599,537

b) Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company is exposed to interest rate risk because company borrows funds at both fixed and floating interest rates. The risk is managed by the company by maintaining an appropriate mix between fixed and variable rate borrowings.

Particulars	As at 31 March 2019	As at 31 March 2018
Cash Credit Borrowings	560,150,861	414,279,140
Long Term Borrowings	583,103,094	602,392,400
Total borrowings	**1,143,253,955**	**1,016,671,540**

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

(i) The exposure of group borrowings to interest rate changes at the end of reporting period are as follows:

(ii) As at the end of reporting period, the company had the following variable rate borrowings:

Particulars	As at 31 March 2019			As at 31 March 2018		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Term Loan and Cash Credit Limit	9.90%	1,143,253,955	100%	9.48%	1,016,671,540	100%
Net exposure to cash flow interest rate risk		**1,143,253,955**			**1,016,671,540**	

(iii) Sensitivity

Profit/loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

If increase by 50 basis point	Interest Impact	
Particulars	**As at 31 March 2019**	**As at 31 March 2018**
Impact on profit or loss for the year	(5,716,270)	(5,083,358)
Impact on total equity as at the end of the reporting period	(5,716,270)	(5,083,358)

If decrease by 50 basis point	Interest Impact	
Particulars	**As at 31 March 2019**	**As at 31 March 2018**
Impact on profit or loss for the year	5,716,270	5,083,358
Impact on total equity as at the end of the reporting period	5,716,270	5,083,358

c) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from

defaults. The company only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the company uses other publicly

available financial information and its own trading records to rate its major customers. The company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

d) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's short-term, medium-term and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Liquidity and interest risk tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay.

The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period.

The contractual maturity is based on the earliest date on which the company may be required to pay.

As at 31 March 2019

Particulars	Weighted average effective interest rate (%)	Within 1 year	1-3 years	3+ years	Total	Carrying amount
Long term borrowings	9.97%	162,456,482	230,432,364	192,918,168	585,807,014	583,103,094
Cash credits from bank	9.86%	510,150,861	-	-	510,150,861	510,150,861
Working capital demand loan	9.35%	50,000,000	-	-	50,000,000	50,000,000
Trade payables	10.00%	85,884,032	-	-	85,884,032	85,884,032
Other financial liabilities	10.00%	84,853,251	-	-	84,853,251	83,967,851
Total		893,344,626	230,432,364	192,918,168	1,316,695,158	1,313,991,238

As at 31 March 2018

Particulars	Weighted average effective interest rate (%)	Within 1 year	1-3 years	3+ years	Total	Carrying amount
Long term borrowings	9.49%	152,896,522	249,637,973	203,321,230	605,855,725	602,392,400
Cash credits from bank	9.45%	397,571,829	-	-	397,571,829	397,571,829
Working capital loan	10.00%	16,707,311	-	-	16,707,311	16,707,311
Trade payables	10.00%	64,559,098	-	-	64,559,098	64,559,098
Other financial liabilities	10.00%	95,431,160	-	-	95,431,160	95,431,160
Total		727,165,920	249,637,973	203,321,230	1,180,125,123	1,176,661,798

50. Fair value of measurement

Fair value of the company's financial assets and financial liabilities that are measured at fair value on a recurring basis.

Particulars	Fair values as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at 31 March 2019	As at 31 March 2018		
Financial assets				
Security deposit	3,578,163	3,246,387	Level 2	Discounted cash flow at discount rate that reflects the company's current borrowing rate at the end of reporting period
Financial liabilities				
Borrowings	583,103,094	602,392,400	Level 2	Discounted the estimated cash flow through the expected life of the borrowings

a) The fair values of current debtors, bank balances, current creditors and current borrowings are assumed to approximate their carrying amounts due to the short-term maturities of these assets and liabilities are as follows.

Particulars	Carrying value	
	As at 31 March 2019	As at 31 March 2018
i) Financial assets - Current		
Trade receivables	384,104,105	436,379,374
Cash and cash equivalents	62,359,515	106,005,109
Other Financial assets	18,910,502	8,631,462
ii) Financial liabilities - Current		
Borrowings	560,150,861	414,279,140
Trade payables	85,884,032	64,559,098
Other Financial liabilities	84,853,251	95,431,160

51. Deferred Tax Assets / Liabilities

As at 31 March 2019

Deferred Tax Assets / (Liabilities) in relation to	Opening balance	Recognized in Profit or loss	Recognized in other comprehensive income	Closing balance
Property, plant and equipment and Intangible assets	(51,585,346)	8,624,983	-	(42,960,363)
Financial liabilities at amortised cost	(1,107,070)	204,393	-	(902,677)
Financial assets at amortised cost	166,510	(109,144)	-	57,366
Defined benefit obligation	1,264,847	(842,323)	(501,045)	(78,521)
Related to revaluation reserve	(49,469,516)	(480,286)	-	(49,949,802)
Unabsorbed depreciation	18,340,546	(4,472,950)	-	13,867,596
	(82,390,029)	2,924,672	(501,045)	(79,966,401)

As at 31 March 2018

Deferred Tax Assets / (Liabilities) in relation to	Opening balance	Recognized in Profit or loss	Recognized in other comprehensive income	Closing balance
Property, plant and equipment and Intangible assets	(51,007,172)	(578,174)	-	(51,585,346)
Financial liabilities at amortised cost	(1,377,742)	270,672	-	(1,107,070)
Financial assets at amortised cost	278,465	(111,955)	-	166,510
Defined benefit obligation	871,699	702,800	(309,652)	1,264,847
Related to revaluation reserve	(51,781,176)	2,311,660	-	(49,469,516)
Unabsorbed depreciation	-	18,340,546	-	18,340,546
	(103,015,926)	20,935,549	(309,652)	(82,390,029)

52. Current Tax

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	As at 31 March 2019	As at 31 March 2018
Profit before tax from continuing operations	1,159,859	17,757,359
Income tax expense calculated using tax rate applicable	387,207	3,620,521
Adjustments		
Effect of income that is exempt from taxation	-	-
Effect of additional allowance under Income Tax	(5,577,023)	(23,711,216)
Effect of expenses that are not deductible in determining taxable profit	1,934,851	1,743,055
Effect of change in statutory tax rate	330,292	1,247,811
Effect of earlier year tax adjustments	7,471	(13,171,502)
Total	(3,304,409)	(33,891,861)
Income tax expense recognised in profit or loss (relating to continuing operations)	(2,917,201)	(30,271,331)

The tax rate used for the 2018-19 and 2017-18 reconciliations above is the corporate tax rate of 20.5868%, 33.384% and 20.3889%, 33.063% respectively.

Income tax recognised in other comprehensive income

Deferred tax

Particulars	As at 31 March 2019	As at 31 March 2018
Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligation	(501,045)	(309,652)
Total	**(501,045)**	**(309,652)**

Arising on income and expenses reclassified from equity to profit or loss:		
Total income tax recognised in other comprehensive income	**(501,045)**	**(309,652)**
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	(501,045)	(309,652)
Items that may be reclassified to profit or loss	-	-

53. The group offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognized amounts and the group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The following table provides quantitative information about offsetting of financial assets and financial liabilities:

	31 March 2019		**31 March 2018**	
	Financial Assets	Financial Liabilities	Financial Assets	Financial Liabilities
Gross amount of recognized financial asset/liability	384,104,105	85,884,032	436,379,374	64,559,098
Amount set off	-	-	-	-
Net amount presented in balance sheet	384,104,105	85,884,032	436,379,374	64,559,098

As per our report attached

For KMGS & Associates
Chartered Accountants
(FRN No 004730N)

Lalit Goel
Partner
Membership No: 091100

Place : Gurgaon
Date : 30th May 2019

Anupam Gupta
Director
DIN- 00335437

Aditya Jindal
Executive Director cum Chief Financial Officer
DIN - 01717507

Sanjiivv Jindall
Chairman cum Managing Director
DIN - 00017902

Surya Kant Agrawal
General Manager - (F)
Company Secretary
DIN - 01606920

A. K. Tomer
Director
DIN- 01990678

Kazunari Yamaguchi
Director
DIN-07961388

MACHINO PLASTICS LIMITED

CIN:L25209HR2003PLC035034

Plot No. 3, Maruti Joint Venture Complex, Udyog Vihar – IV, Gurgaon-122015, Haryana

ATTENDENCE SLIP

DP ID/CLIENT ID :
Name of shareholder :
Address :
City :
Pin :
Jt1 :
Jt2 :
No. of Shares :

I, hereby record my presence at the 34th Annual General Meeting of MACHINO PLASTICS LIMITED held on Wednesday, the 7th August, 2019 at 10:30 a.m. at GIA House, IDC Opp. Sector 14, Mehrauli Road, Gurgaon-122001 (Haryana) and at any adjournment thereof.

Member's Folio/DP ID-Client-ID Member's/ Proxy's name in Block Letters Member's/Proxy's Signature

Particulars for Remote e-Voting through Electronic means

EVEN (e-Voting Event Number)	USER ID	PASSWORD/PIN

MACHINO PLASTICS LIMITED

CIN: L25209HR2003PLC035034

Plot No. 3, Maruti Joint Venture Complex, Udyog Vihar – IV, Gurgaon-122015, Haryana

PROXY FORM

FORM NO. MGT – 11

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules,2014]

DP ID/CLIENT ID :
Name of shareholder :
Address :
City :
Pin :

I/ We , being the member(s) of _____ shares of the above named company, hereby appoint

(1) Name:……Address……

E-mail id……Signature……or failing him;

(2) Name:……Address……

E-mail id……Signature……or failing him;

(3) Name:……Address……

E-mail id……Signature……

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34th Annual General Meeting of the company, to be held on 7th August, 2019 at 10:30 a.m. at GIA House, IDC Opp-Sector 14,Mehrauli Road, Gurgaon and at any adjournment thereof in respect of such resolution as are indicated below:

S.NO	PARTICULARS	FOR	AGAINST
1.	Consider and adopt the audited Balance Sheet as at 31.03.2019 and Profit and Loss Account for the year ended on that date and report of auditors and directors thereon		
2.	Declaration of dividend		
3.	Appointment of Mr. Kazunari Yamaguchi who retires by rotation		
4.	Appointment of Mr. Aditya Jindal who retires by rotation		
5.	Appointment of Mr. Ajit Yadav as an Independent Director		
6.	Appointment of Mr. Rajiv Kumar Singh as an Independent Director		
7.	Appointment of Dr. Sandeep Goel as an Independent Director		
8.	Approval for the related parties transactions		

Signed this ……day of ……2019

Affix Re 1.00 Revenue Stamp

Signature of shareholder …….. Signature of proxy holder(s) ……..

Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the company, not less than 48 hours before the commencement of the meeting.

Search nearby: hotels · restaurants

Gurgaon Industrial Associates
Block M, DLF Colony, Sector 14
Gurgaon, Haryana 122002

Getting around

Show: Traffic · Transit · Terrain

If undelivered please retun 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