



Machino Plastics Limited

Registered Office & Plant:

3, Maruti J.V. Complex, Delhi-Gurgaon Road,
Haryana – 122 015, India.

Tel: 0124-2341218, 2340806
Fax: 0124-2340692

CIN:L25209HR2003PLC035034

Email: admin@machino.com

Website: www.machino.com

22nd June, 2021

The BSE Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai – 400001
Phones: 022-30594000
corp.relations@bseindia.com
Scrip Code. 523248

Sub: Audited Financial Results for the Quarter and Year Ended 31st March, 2021

Dear Sir/Madam,

We wish to inform you that pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audited Financial Results for the quarter and year ended on 31st March, 2021 have been approved by the Board of Directors of the Company in its meeting held on 22nd June, 2021 along with the Auditors' Report duly reviewed by the Audit Committee and the Statutory Auditors of the Company.

Please find enclosed herewith a copy of the audited financial results along with the Auditors' Report for the quarter and year ended on 31st March, 2021. The Auditor Report is with unmodified opinion with respect to the Audited Financial Results for the year ended 31st March, 2021. The Board Meeting commenced at 02:45 p.m. and concluded at 05:20 p.m.

This is for your kind information and record.

Thanking You

Yours faithfully
For **Machino Plastics Limited**


Aditya Jindal
Chairman cum Managing Director





Machino Plastics Limited

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Sub: Declaration of Unmodified Opinion in respect of Audited Financial Results for the Financial Year Ended 31st March, 2021

Dear Sir/Madam,

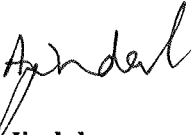
Pursuant to Regulation 33(3) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/CMD/56/2016 dated 27th May, 2016, we hereby declare that the Statutory Auditors of the Company, M/s KMGS & Associates, Chartered Accountants, has issued the Auditor Report with Unmodified Opinion in respect of the Audited Financial Results for the financial year ended 31st March, 2021.

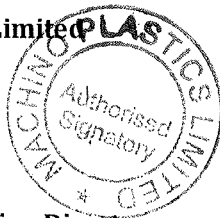
Kindly take the same on record.

Thanking You

Yours faithfully

For Machino Plastics Limited


Aditya Jindal
Chairman cum Managing Director





Machino Plastics Limited

IATF 16949:2016 Certified



IATF Certificate No - 0338805

Registered Office & Plant :

3, Maruti Joint Venture Complex,
Udyog Vihar, Phase IV, Gurugram-122015, Haryana, India

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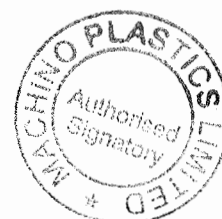
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STATEMENT OF UNAUDITED / AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH

Part I

2021 (Rs. In Lakhs)

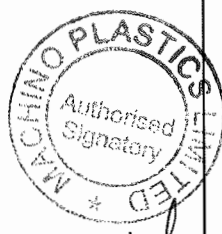
Sr. No.	Particulars	Quarter ended			Year ended	
		31-Mar-21	31-Dec-20	31-Mar-20	31-Mar-21	31-Mar-20
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
I	Revenue from Operations					
	Sale of products, refurbishment and repair of moulds	7,131.27	6,994.83	5,840.78	20,974.70	24,165.32
	Other Operating revenues	14.24	14.80	12.78	50.19	35.59
	Total Revenue from Operations	7,145.51	7,009.63	5,853.56	21,024.89	24,200.91
II	Other Income	-	2.80	29.04	12.68	51.48
III	Total Income (I+II)	7,145.51	7,012.43	5,882.60	21,037.57	24,252.39
IV	Expenses					
	Cost of materials consumed	4,026.63	3,860.19	3,022.33	11,485.97	13,041.15
	Changes in inventories of finished goods, WIP and stock-in-trade	(21.91)	(124.47)	136.22	(107.59)	137.23
	Employee benefits expenses	712.89	837.67	742.39	2,719.05	3,167.44
	Finance Costs	162.89	174.04	188.47	717.56	767.36
	Depreciation & amortisation expenses	371.59	356.91	455.11	1,515.85	1,964.21
	Other expenses	1,701.01	1,665.15	1,390.06	5,283.00	6,026.48
	Total Expenses (IV)	6,953.10	6,769.49	5,934.58	21,613.84	25,103.87
V	Profit / (Loss) before tax (III-IV)	192.41	242.94	(51.98)	(576.27)	(851.48)
VI	Tax Expense					
	- Income Tax	-	-	-	(8.37)	(19.31)
	- Deferred Tax	(75.58)	(16.64)	(103.50)	(157.40)	(380.34)
		(75.58)	(16.64)	(103.50)	(165.77)	(399.65)
VII	Profit / (Loss) for the period (V-VI)	267.99	259.58	51.52	(410.50)	(451.83)
VIII	Other Comprehensive Income					
	a) Items that will not be reclassified to profit or (loss)	1.32	-	24.55	1.32	24.55
	b) Income tax relating to items that will not be reclassified to profit or (loss)	(0.34)	-	(6.38)	(0.34)	(6.38)
	c) Items that will be reclassified to profit or (loss)	-	-	-	-	-
	d) Income tax relating to items that will be reclassified to profit or (loss)	-	-	-	-	-
	Total Other Comprehensive Income for the period (a+b+c+d)	0.98	-	18.17	0.98	18.17
IX	Total Comprehensive Income / (loss) for the period (VII+VIII)	268.97	259.58	69.69	(409.52)	(433.66)
X	Paid-up Equity Share Capital	613.68	613.68	613.68	613.68	613.68
XI	Face value of the share (INR)	10.00	10.00	10.00	10.00	10.00
	Earning per share (EPS) (face value of Rs. 10/- each)					
	a) Basic EPS (Rs.)	4.37	4.23	0.84	(6.69)	(7.36)
	b) Diluted EPS (Rs.)	4.37	4.23	0.84	(6.69)	(7.36)



STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH, 2021

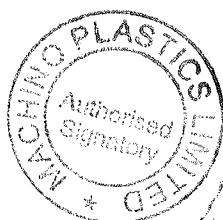
(Rs. In Lakhs)

Particulars	As at 31-Mar-21 Audited	As at 31-Mar-20 Audited
ASSETS		
Non-Current assets		
Property, plant and equipment	11,514.25	12,769.70
Right of use assets	204.46	333.59
Capital work-in-progress	-	-
Other Intangible assets	31.52	65.19
Financial assets		
Investment	125.00	125.00
Other financial assets	185.48	186.75
Other non-current assets	0.25	0.25
Total non-current assets	12,060.96	13,480.48
Inventories	1,427.55	936.01
Financial assets		
Trade receivables	3,410.44	2,479.71
Cash and cash equivalent	29.27	15.73
Bank balances other than above	10.71	10.72
Other financial assets	6.35	2.64
Other current assets	255.52	357.12
Total current assets	5,139.84	3,801.93
Total assets	17,200.80	17,282.41
EQUITY AND LIABILITIES		
Equity		
Equity share capital	613.68	613.68
Other equity	4,581.81	4,991.32
Total Equity	5,195.49	5,605.00
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	3,486.53	3,504.84
Lease liabilities	84.65	218.81
Deferred tax liabilities (Net)	268.65	425.71
Total non-current liabilities	3,839.83	4,149.36
Current liabilities		
Financial liabilities		
Borrowings	5,303.80	4,173.19
Lease liabilities	134.16	121.44
Trade payables	445.94	554.88
Other financial liabilities	1,431.89	1,722.49
Other current liabilities	755.21	874.69
Provisions	94.48	81.36
Total current liabilities	8,165.48	7,528.05
Total equity and liabilities	17,200.80	17,282.41



Cash Flow Statement for the year ended 31 March 2021

	Rs in Lakhs	
	Year ended	Year ended
Cash flow statement	31 March 2021	31 March 2020
A Cash flows from operating activities		
Profit / (loss) for the year	(576.26)	(851.48)
Adjustments to reconcile net profit / (loss) to net cash provided by operating activities		
- Depreciation and amortisation expense	1,515.85	1,964.21
- Interest and finance charges	717.56	767.36
- Unrealised foreign exchange fluctuation (net) loss / (gain)	(9.26)	30.07
- Loss / (Profit) on sale of Property, plant and equipment (PPE)	4.01	(39.47)
- Interest income on refund of income tax	(2.81)	(3.18)
Operating profit before working capital changes	1,649.09	1,867.51
Changes in assets and liabilities		
- (Increase) / decrease in inventories	(491.54)	105.05
- (Increase) / decrease in trade receivables	(930.85)	1,362.51
- (Increase) / decrease in other financial assets (excluding advance tax)	75.07	106.11
- (Increase) / decrease in other current assets	(3.71)	1.60
- Increase / (decrease) in trade payables	(108.95)	(303.96)
- Increase / (decrease) in other current liabilities	(110.10)	98.01
- Increase / (decrease) in other financial liabilities and provision (excluding provision for tax)	(82.86)	(413.46)
Cash generated from operations	(3.85)	2,823.37
- Income tax refund / (paid)	34.90	(19.31)
Net Cash flow generated from operating activities	31.05	2,804.06
B Cash flow from investing activities		
Expenditure on PPE and intangible assets (including net movement in		
- CWIP)	(103.61)	(312.62)
- Proceeds from sale / disposal of property, plant and equipment (PPE)	2.00	159.80
- Change in retention money	1.27	(1.89)
- Interest received	2.81	3.18
- Earmarked balance	0.01	8.21
Net cash flows (used in) investing activities	(97.52)	(143.32)
C Cash flow from financing activities		
- Proceeds from long term borrowings	1,020.00	740.00
- (Repayments of) long term borrowings	(1,238.96)	(1,661.57)
- (Repayments of) / Proceeds from short term borrowings (net)	1,130.61	(1,428.32)
Dividend paid to Company's Shareholders (including dividend distribution		
- tax)	-	(73.98)
- Interest and finance charges paid	(681.65)	(763.29)
- Payment of lease liabilities	(150.00)	(62.50)
Net cash flows (used in)/ generated from financing activities	80.00	(3,249.66)
Net change in cash and cash equivalents (A+B+C)	13.53	(588.92)
Cash and cash equivalents- opening balance	15.74	604.66
Cash and cash equivalents- closing balance	29.27	15.74
Notes to cash flow statement:		
Cash and cash equivalents include :		
Cash on hand	23.50	13.77
Balances with banks:		
Current accounts	5.77	1.97
Cash and cash equivalents at the end of the year	29.27	15.74



NOTES :

- 1 The above results have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

- The above financial results were reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on June 22, 2021. The financials results for the year ended March 31, 2021 have been audited and for the quarter ended March 31, 2021 have been reviewed by the statutory auditors of the Company and they have expressed an unmodified opinion on the aforesaid results.

- 3 Prices fixed with MSIL are subject to revision. A historical price change is given below:

Sr #	Particulars	Period				
		2020-21	2019-20	2018-19	2017-18	2016-17
1	Turnover	21,024.89	24,200.91	30,287.20	30,594.32	25,919.92
2	Net Price Revision during the period	(18.04)	(294.38)	619.34	248.79	(883.44)
3	% of price revision with Turnover	-0.09%	-1.22%	2.04%	0.81%	-3.41%

- The company is exclusively engaged in the business of manufacturing of 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.


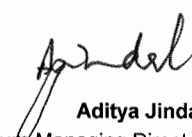
- The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, Inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources on the expected future performance of the Company. Based on current estimates the Company expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of these financial results.

- The figures for the current quarter ended March 31, 2021 and quarter ended March 31, 2020 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2021 and March 31, 2020, respectively and published year to date figures up to third quarter ended December 31, 2020 and December 31, 2019, respectively which were subjected to limited review.

- 7 Previous period figures have been recasted wherever considered necessary.

Place : GURUGRAM
Date : 22nd June, 2021

By Order of the Board
For MACHINO PLASTICS LIMITED

 
Aditya Jindal
Chairman cum Managing Director

**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, 2021, 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, 2021, the loss 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 statements for the financial year ended March 31, 2021. 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 31 of the Ind AS financial statements)	



<p>As of March 31, 2021, the Company has disclosed contingent liabilities of Rs.582.11 lakhs relating to tax claims.</p> <p>Taxation exposures have been identified as a key audit matter due to the uncertainties involved in these tax claims.</p> <p>Due to uncertainty of cases, timescales for resolution and need to negotiate with various authorities, there is significant judgment 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.</p> <p>Accordingly, contingent liabilities were determined to be a key audit matter in our audit of the Ind AS financial statements.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none">• 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.• 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.
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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 Company's Annual Report, but does not include the Ind AS financial statements and our auditor's report thereon. The Company's 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 Company's Annual Report, if we conclude that there is a material misstatement therein, we are required to report that fact. We have nothing to report in this regard.

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.

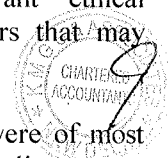
As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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 sufficient and 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 39 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.



K M G S & Associates
Chartered Accountants

Basement,18, National Park,
Lajpat Nagar-IV, New Delhi-110024
Ph.: 011-41636286
Fax No.: 011-41636825
E-mail: office@kmgsa.in

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, to the extent applicable.

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



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

Place of Signature: Gurugram
Date: 22nd June 2021

UDIN : 21091100AAAAJ7339

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, 2021 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 with reference to financial statements.

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 control 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, 2021, 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: 22nd June 2021

UDIN : 21091100AAAAJ7339

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'2021)

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, 2021 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	389,951	15 th July, 2017

- (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 2021 which have not been deposited on account of a dispute have been stated below:

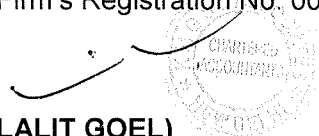
Name of the Statute	Nature of dues	Amount (Rs.)	Amount Deposit under protest	Period	Forum where dispute is pending
The Central Excise Act, 1944	Excise Duty	2,258,355	Nil	F.Y 2003-04 & 2004-05	Commissioner Of Central Excise, Delhi-III
The Central Excise Act, 1944	Excise Duty	55,953,527	Nil	F.Y 2013-14 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 and financial institution.
- (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: 22nd June 2021

UDIN: 21091100 AAAAJ7339