



# Machino Plastics Limited

---

**Registered Office & Plant:**

3, Maruti J.V. Complex, Delhi-Gurugram Road, Tel: 0124-2341218, 2340806  
Haryana – 122 015, India. Fax: 0124-2340692

CIN:L25209HR2003PLC035034

Email: [admin@machino.com](mailto:admin@machino.com)

Website: [www.machino.com](http://www.machino.com)

---

**Date: 20<sup>th</sup> May, 2022**

The BSE Ltd.  
Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai – 400001  
[corp.relations@bseindia.com](mailto:corp.relations@bseindia.com)  
**Scrip Code. 523248**

**Sub: Audited Financial Results for the Quarter and Year Ended 31<sup>st</sup> March, 2022**

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 31<sup>st</sup> March, 2022 have been approved by the Board of Directors of the Company in its meeting held today i.e. on Friday, the 20<sup>th</sup> May, 2022 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 31<sup>st</sup> March, 2022. The Auditor Report is with unmodified opinion with respect to the Audited Financial Results for the year ended 31<sup>st</sup> March, 2022. The Board Meeting commenced at 03:00 p.m. and concluded at 04:40 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

---

**Registered Office & Plant:**

3, Maruti J.V. Complex, Delhi-Gurugram Road, Tel: 0124-2341218, 2340806  
Haryana – 122 015, India. Fax: 0124-2340692

CIN:L25209HR2003PLC035034

Email: [admin@machino.com](mailto:admin@machino.com)

Website: [www.machino.com](http://www.machino.com)

---

**Date: 20<sup>th</sup> May, 2022**

The BSE Ltd.  
Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai – 400001  
[corp.relations@bseindia.com](mailto:corp.relations@bseindia.com)  
**Scrip Code. 523248**

**Sub: Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015- Declaration of Unmodified Opinion in respect of Audited Financial Results for the Financial Year ended 31<sup>st</sup> March, 2022**

Dear Sir/Madam,

Pursuant to Regulation 33(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/CMD/56/2016 dated 27<sup>th</sup> May, 2016, we hereby declare that the Statutory Auditors of the Company, M/s KMGS & Associates, Chartered Accountants, have issued the Auditor Report with Unmodified Opinion in respect of the Audited Financial Results for the financial year ended on 31<sup>st</sup> March, 2022.

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 Certified No - 0338801

**Manesar Plant (Unit-II) :**  
Plot No.-128-129, Sector-8, IMT Manesar  
Gurugram, Haryana, Pin - 122 051, India.

Tel.: 0124 - 4206404

Email : admin@machino.com  
Website : www.machino.com  
CIN : L25209HR2003PLC03503

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

### Part I 2022 (Rs. In Lakhs)

Sr. No.	Particulars	Quarter ended			Year ended	
		31-Mar-22	31-Dec-21	31-Mar-21	31-Mar-22	31-Mar-21
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
I	<b>Revenue from Operations</b>					
	Sale of products, refurbishment and repair of moulds	7,658.07	7,285.87	7,131.27	26,470.92	20,974.70
	Other Operating revenues	7.59	23.45	14.24	63.61	50.19
	<b>Total Revenue from Operations</b>	<b>7,665.66</b>	<b>7,309.32</b>	<b>7,145.51</b>	<b>26,534.53</b>	<b>21,024.89</b>
II	Other Income	12.66	4.67	-	18.93	12.68
III	<b>Total Income (I+II)</b>	<b>7,678.32</b>	<b>7,313.99</b>	<b>7,145.51</b>	<b>26,553.46</b>	<b>21,037.57</b>
IV	<b>Expenses</b>					
	Cost of materials consumed	4,928.58	4,420.28	4,026.63	15,807.31	11,485.97
	Changes in inventories of finished goods, WIP and stock-in-trade	-377.66	-149.63	-21.91	-416.51	-107.59
	Employee benefits expenses	766.30	787.14	712.89	2,953.36	2,719.05
	Finance Costs	149.17	154.94	162.89	643.21	717.56
	Depreciation & amortisation expenses	339.59	335.99	371.59	1,361.88	1,515.85
	Other expenses	1,848.14	1,864.70	1,701.01	6,548.60	5,283.00
	<b>Total Expenses (IV)</b>	<b>7,654.12</b>	<b>7,413.42</b>	<b>6,953.10</b>	<b>26,897.85</b>	<b>21,613.84</b>
V	<b>Profit / (Loss) before tax (III-IV)</b>	<b>24.20</b>	<b>-99.43</b>	<b>192.41</b>	<b>-344.39</b>	<b>-576.27</b>
VI	<b>Tax Expense</b>					
	- Income Tax	-	-	-	-	-8.37
	- Deferred Tax	-26.49	-70.91	-75.58	-96.62	-157.40
		<b>-26.49</b>	<b>-70.91</b>	<b>-75.58</b>	<b>-96.62</b>	<b>-165.77</b>
VII	<b>Profit / (Loss) for the period (V-VI)</b>	<b>50.69</b>	<b>-28.52</b>	<b>267.99</b>	<b>-247.77</b>	<b>-410.50</b>
VIII	<b>Other Comprehensive Income</b>					
	a) Items that will not be reclassified to profit or (loss)	-18.81	-	1.32	-18.81	1.32
	b) Income tax relating to items that will not be reclassified to profit or (loss)	4.89	-	-0.34	4.89	-0.34
	c) Items that will be reclassified to profit or (loss)	-	-	-	-	-
	d) Income tax relating to items that will be reclassified to profit or (loss)	-	-	-	-	-
	<b>Total Other Comprehensive Income for the period (a+b+c+d)</b>	<b>-13.92</b>	<b>-</b>	<b>0.98</b>	<b>-13.92</b>	<b>0.98</b>
IX	<b>Total Comprehensive Income / (loss) for the period (VII+VIII)</b>	<b>36.77</b>	<b>-28.52</b>	<b>268.97</b>	<b>-261.69</b>	<b>-409.52</b>
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.)	0.83	-0.46	4.37	-4.04	-6.69
	b) Diluted EPS (Rs.)	0.83	-0.46	4.37	-4.04	-6.69

*Handwritten signature*



STATEMENT OF ASSETS AND LIABILITIES			
		(Rs. in Lakhs)	
S. No.	Particulars	As at 31-Mar-22 Audited	As at 31-Mar-21 Audited
I	<b>ASSETS</b>		
(1)	<b>Non-Current assets</b>		
	Property, plant and equipment	10,321.08	11,514.25
	Right of use assets	224.85	204.46
	Capital work-in-progress	-	-
	Other Intangible assets	10.00	31.52
	Financial assets		
	Investment	125.00	125.00
	Other financial assets	185.73	185.73
	<b>Total non-current assets</b>	<b>10,866.66</b>	<b>12,060.96</b>
(2)	<b>Current assets</b>		
	Inventories	1,970.63	1,427.55
	Financial assets		
	Trade receivables	3,687.98	3,410.44
	Cash and cash equivalent	217.34	29.27
	Bank balances other than above	10.71	10.71
	Other financial assets	82.84	6.35
	Other current assets	381.05	255.51
	<b>Total current assets</b>	<b>6,350.55</b>	<b>5,139.83</b>
	<b>Total assets</b>	<b>17,217.21</b>	<b>17,200.79</b>
II	<b>EQUITY AND LIABILITIES</b>		
(1)	<b>Equity</b>		
	Equity share capital	613.68	613.68
	Other equity	4,297.53	4,581.81
	<b>Total Equity</b>	<b>4,911.21</b>	<b>5,195.49</b>
(2)	<b>Non-current liabilities</b>		
	Financial liabilities		
	Borrowings	2,650.03	3,486.53
	Lease liabilities	5.41	84.65
	Provisions	3.58	-
	Deferred tax liabilities (Net)	167.14	268.65
	<b>Total non-current liabilities</b>	<b>2,826.16</b>	<b>3,839.83</b>
(3)	<b>Current liabilities</b>		
	Financial liabilities		
	Borrowings	6,689.94	6,518.12
	Lease liabilities	84.71	134.16
	Trade payables	1,372.81	445.94
	Other financial liabilities	174.46	217.56
	Other current liabilities	1,087.75	755.21
	Provisions	70.17	94.48
	<b>Total current liabilities</b>	<b>9,479.84</b>	<b>8,165.47</b>
	<b>Total liabilities</b>	<b>12,306.00</b>	<b>12,005.30</b>
	<b>Total equity and liabilities</b>	<b>17,217.21</b>	<b>17,200.79</b>

By Order of the Board  
For MACHINO PLASTICS LIMITED

Aditya Jindal

Chairman cum Managing Director

Place : GURUGRAM  
Date : 20th May 2022



Audited Cash Flow Statement for the year ended 31st March, 2022		
		(Rs. In Lakhs)
Particulars	Year ended 31 March 2022	31 March 2021
<b>A Cash flows from operating activities</b>		
(I) Profit / (Loss) for the period	-344.39	-576.26
Adjustments for:		
- Depreciation and amortisation expense	1,361.88	1,515.85
- Interest and finance charges	643.21	717.56
- Unrealised foreign exchange (net) loss / (gain)	12.47	-9.26
- Loss / (Profit) on sale of Property, plant and equipment (PPE)	-0.74	4.01
- Interest income	-12.53	-2.81
<b>Operating profit before working capital changes</b>	<b>1,659.90</b>	<b>1,649.09</b>
(II) Adjustments for :		
- (Increase) / decrease in inventories	-543.08	-491.54
- (Increase) / decrease in trade receivables	-277.93	-930.85
- (Increase) / decrease in other current assets	-117.99	75.07
- (Increase) / decrease in other financial assets	-7.53	-3.71
- Increase / (decrease) in trade payables	926.86	-108.95
- Increase / (decrease) in other current liabilities	320.47	-110.10
- Increase / (decrease) in other financial liabilities and provision (excluding provision for tax)	-84.69	-82.86
<b>Cash generated from operations</b>	<b>1,876.01</b>	<b>-3.85</b>
- Income tax refund / (paid)	-7.55	34.90
<b>Net Cash flow generated from operating activities</b>	<b>1,868.46</b>	<b>31.05</b>
<b>B Cash flow from investing activities</b>		
Additions to PPE and intangible assets (including net movement in CWIP)	-185.02	-103.61
- Proceeds from sale / disposal of property, plant and equipment	1.11	2.00
- Change in retention money	-	1.27
- Interest received	12.53	2.81
- Investment in bank deposit	-68.98	-
- Earmarked balance	-	0.01
<b>Net cash flows (used in) investing activities</b>	<b>-240.36</b>	<b>-97.52</b>
<b>C Cash flow from financing activities</b>		
- Proceeds from long term borrowings	510.00	1,020.00
- (Repayments of) long term borrowings	-1,217.24	-1,238.96
- (Repayments of) / Proceeds from short term borrowings (net)	34.46	1,130.61
- Interest and finance charges paid	-616.65	-681.65
- Payment of lease liabilities	-150.60	-150.00
<b>Net cash flows (used in)/ generated from financing activities</b>	<b>-1,440.03</b>	<b>80.00</b>
<b>Net change in cash and cash equivalents (A+B+C)</b>	<b>188.07</b>	<b>13.53</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>29.27</b>	<b>15.74</b>
<b>Cash and cash equivalents at the end of half year</b>	<b>217.34</b>	<b>29.27</b>
Cash and cash equivalents include :		
Cash on hand	32.09	23.50
Balances with banks:		
Current accounts	185.25	5.77
<b>Cash and cash equivalents at the end of half year</b>	<b>217.34</b>	<b>29.27</b>
<p>By Order of the Board For MACHINO PLASTICS LIMITED</p> <p><i>Aditya Jindal</i> Aditya Jindal Chairman cum Managing Director</p>		

**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).

- 2 The above financial results were reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on May 20, 2022. The financials results for the year ended March 31, 2022 have been audited and for the quarter ended March 31, 2022 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				
		2021-22	2020-21	2019-20	2018-19	2017-18
1	Turnover	26,534.53	21,024.89	24,200.91	30,287.20	30,594.32
2	Net Price Revision during the period	471.70	-18.04	-294.38	619.34	248.79
3	% of price revision with Turnover	1.78%	-0.09%	-1.22%	2.04%	0.81%

- 4 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.

- 5 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.

- 6 Certain news agencies have reported that our partner and main customer MSIL is likely to relocate its Gurugram Plant to another site. Our business may be negatively affected by such action of MSIL. Considering the significance of the operational and financial risks associated with the likely relocation decision of MSIL, the management is making all possible efforts to minimize the potential risks.

- 7 The figures for the current quarter ended March 31, 2022 and quarter ended March 31, 2021 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2022 and March 31, 2021, respectively and published year to date figures up to third quarter ended December 31, 2021 and December 31, 2020, respectively which were subjected to limited review.

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

Place : GURUGRAM  
Date : 20th May, 2022

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, 2022, 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, 2022, 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, 2022. 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
<b>Contingent Liabilities</b> (as described in note 31 of the Ind AS financial statements)	



<p>As of March 31, 2022, the Company has disclosed contingent liabilities of Rs.559.54 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"><li>• 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.</li><li>• 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.</li><li>• Checked the adequacy of the disclosures with regard to facts and circumstances of the matters.</li></ul>
---	---

#### **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.

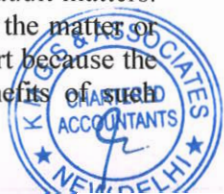
As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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.
  - iv.
    - a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed





in the notes to the accounts, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e) as provided under (a) and (b) contain any material mis-statement.

v. The company has not declared or paid dividend during the year.

2. As required by the Companies (Auditor's Report) Order, 2020 ("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 20/05/2022

UDIN: 22091100AJHYHCL7190



**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, 2022 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, 2022, 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: 20/05/2022

UDIN: 22091100 AJ4Y4C7190



**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'2022)**

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) According to the information and explanations given to us, the Property, Plant and Equipment 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 if any, of the immovable properties are held in the name of the company.
- (d) According to the information and explanations given to us, the company has not revalued its Property, Plant and Equipment (including Right of Use Assets) or Intangible Assets or both during the year.
- (e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (ii) (a) 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.
- (b) During the year, the Company has availed working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) As informed, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties. Accordingly, all the sub-clauses under this clause are not applicable.





- (iv) In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees and security, the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- (v) The Company has not accepted any deposits or amounts deemed to be deposits from the public. Accordingly, the provisions of clause 3(v) of the Companies (Auditor's Report) Order, 2020 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 Goods and Service Tax, 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, 2022 for period of more than six months from the date they became payable.
- (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, Goods and Service Tax and cess as at March 31<sup>st</sup> 2022 which have not been deposited on account of a dispute have been stated below:

<b>Name of the Statute</b>	<b>Nature of dues</b>	<b>Amount (Rs.)</b>	<b>Amount Deposit under protest</b>	<b>Period</b>	<b>Forum where dispute is pending</b>
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 surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (43 of 1961), any transactions not recorded in the books of accounts.
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.



- (b) In our opinion and according to the information and explanations given to us, the company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (c) As per the information and explanations given to us by the management, the company has applied the term loans for the purpose for which the loans were obtained.
- (d) As per the information and explanations given to us by the management, funds raised on short term basis have not been utilized for long-term purposes.
- (e) The company does not have any subsidiary, associate or joint venture and therefore this clause is not applicable.
- (f) The company does not have any subsidiary, associate or joint venture and therefore this clause is not applicable.
- (x) (a) Based on information and explanations given to us by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) 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 convertible debentures (fully, partially or optionally convertible) during the year.
- (xi) (a) 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 has been noticed or reported during the course of our audit. Therefore, sub-clause (b) and (c) of this clause are not applicable.
- (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, 2020 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) (a) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditors for the period under audit have been considered by us.
- (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 this clause of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company.

- (xvi) (a) 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 (2 of 1934). Accordingly, the provisions of clause 3(xvi) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid certificate of registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) In our opinion and according to the information and explanations given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) In our opinion and according to the information and explanations given to us, the company is not part of a Group which has more than one CIC as part of the Group.
- (xvii) In our opinion and according to the information and explanations given to us, the company has not incurred any cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of Statutory Auditors during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company during the current year.





**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

(xxi) In our opinion and according to the information and explanations given to us, there is no requirement of consolidation of financial statements of other entities applicable on the company and therefore this clause is 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: 20/05/2022

UDIN: 22091100A5H7HC7190