Report on Review of the Unaudited Interim Condensed Consolidated Financial Statements

To
the Board of Directors
PG Electroplast Limited
New Delhi

1. We have reviewed the accompanying Unaudited Interim Condensed Consolidated Financial Statements of **PG Electroplast Limited** ("the Company or Holding Company") and its subsidiaries (together referred to as the "the Group"), which comprise the Unaudited Interim Condensed Consolidated Balance Sheet as at June 30, 2023 and the Unaudited Interim Condensed Consolidated Statement of Profit and Loss, including other comprehensive income, Unaudited Interim Condensed Consolidated Cash Flow Statement and the Unaudited Interim Condensed Consolidated Statement of Changes in Equity for the quarter then ended and a summary of select explanatory notes (including the comparative financial information for the quarter ended June 30, 2022) (together hereinafter referred to as the "Unaudited Interim Condensed Consolidated Financial Statements"). The Unaudited Interim Condensed Consolidated Financial Statements have been prepared by the Company solely in connection with the proposed offering of equity shares of the Company in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and other applicable laws.

2. This Unaudited Interim Condensed Consolidated Financial Statements is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 as amended (the Act), read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Unaudited Interim Condensed Consolidated Financial Statements based on our review.

3. We conducted our review of the Unaudited Interim Condensed Consolidated Financial Statements in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard required that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted and upon considerations of report of other auditor read with para 5(a) below and management certified financial information read with para 5(b) below, nothing further has come to our attention that causes us to believe that the accompanying unaudited interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with requirements of Ind AS 34 "Interim Financial Reporting" .

5. **Other matters**

   a. We did not review the unaudited interim condensed financial statements of two subsidiaries whose interim condensed financial statements reflects total asset of Rs. 64864.40 lakh as at

June 30, 2023; total revenue of Rs. 39186.76 lakhs, profit after tax of Rs. 2129.39 lakhs, total comprehensive income of Rs. 2127.32 lakh for the quarter ended June 30, 2023 respectively, and net cash outflow of Rs. 467.34 lakhs for the quarter ended June 30, 2023, as considered in this Unaudited Interim Condensed Consolidated Financial Statements. The interim financial statements of these subsidiaries are reviewed by their independent auditors whose review report have been furnished to us by the management and our conclusion on the Unaudited Interim Condensed Consolidated Financial Statements, in so far as it relates to the amounts and disclosure in respect of these subsidiaries are based solely on the report of such auditors.

b. We did not review the unaudited interim condensed financial statements of one controlled entity, whose interim condensed financial statements reflects total asset of Rs. 169.68 lakh as at June 30, 2023; total revenue of Rs. Nil, profit after tax of Rs. Nil, total comprehensive income of Rs. Nil for the quarter ended June 30, 2023 respectively, and net cash inflow of Rs. 47.14 lakhs for the quarter ended June 30, 2023, Financial information of the controlled entity duly certified by the management is furnished to us. Our report, to the extent it concerns this controlled entity, on the Unaudited Interim Consolidated Financial Statements is based solely on the management certified financial statements/information. This controlled entity is not considered material to the Group.

Our conclusion on the Unaudited Interim Consolidated Financial Statements is not modified in respect of above matters.

For S S KOTHARI MEHTA & COMPANY
Chartered Accountants
Firm's Registration No. 000756N

Amit Goel
Partner
Membership No. 500607

Place: New Delhi
Date: August 28, 2023
UDIN: 23500607BGURQE7371

PG ELECTROPLAST LIMITED
UNAUDITED INTERIM CONDENSED CONSOLIDATED BALANCE SHEET AS AT JUNE 30,2023
(All Amounts are in Rupees lakhs, unless otherwise stated)

Particulars	Note	As at 30th June 2023	As at 31st March, 2023
ASSETS			
Non-Current Assets			
Property, plant and equipment	3	57,972.52	57,656.99
Capital work-in-progress	3	258.04	197.50
Goodwill	4	0.34	0.34
Other intangible assets	4	122.52	122.02
Financial Assets			
Investments	5	231.23	217.64
Other financial assets		1,126.10	994.63
Other non-current assets		2,121.38	783.13
Total Non-Current Assets		**61,832.13**	**59,972.25**
Current Assets			
Inventories		27,523.73	35,338.12
Financial assets			
Trade receivables		31,681.85	43,787.36
Cash and cash equivalents		291.94	866.91
Bank balances other than cash and cash equivalents		2,659.52	3,095.76
Loans		49.50	45.83
Other financial assets		2,724.06	2,675.94
Other current assets		4,696.94	3,661.45
Income tax assets (Net)		-	527.44
Total Current Assets		**69,627.54**	**89,998.81**
TOTAL ASSETS		**131,459.67**	**149,971.06**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	6	2,279.08	2,274.26
Other equity		40,923.36	37,318.52
Total Equity		**43,202.44**	**39,592.78**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	7	21,382.56	22,495.96
Other financial liabilities		217.67	217.54
Lease liabilities		3,077.48	3,162.21
Deferred tax liabilities (Net)		2,893.40	2,817.61
Provisions		596.19	562.10
Other liabilities		643.33	604.73
Total Non-Current Liabilities		**28,810.63**	**29,860.15**
Current Liabilities			
Financial Liabilities			
Borrowings	7	26,432.19	31,756.50
Trade payables			
- Total outstanding dues of micro and small enterprises		1,828.91	2,967.79
- Total outstanding dues other than micro and small enterprises		24,468.91	36,027.31
Other financial liabilities		3,704.04	5,316.90
Lease liabilities		299.37	284.24
Other current liabilities		2,462.50	4,072.33
Provisions		94.40	93.06
Income tax liabilities (Net)		156.28	-
Total Current Liabilities		**59,446.60**	**80,518.13**
Total Liabilities		**88,257.23**	**110,378.28**
TOTAL EQUITY AND LIABILITIES		**131,459.67**	**149,971.06**
Corporate information	1		
Significant Accounting Policies	2		

The accompanying notes are an integral part of unaudited interim condensed consolidated financial statements.

As per our report of even date attached
For S.S.Kothari Mehta & Company
Chartered Accountants
Firm Registration No. 000756N

For and on behalf of Board of Directors
PG Electroplast Limited

Amit Goel
Partner

M. No. 500607

Anurag Gupta
Chairman & Executive Director
DIN-00184361

Vishal Gupta
Managing Director - Finance
DIN-00184809

Sanchay Dubey
Company Secretary
ACS No:A51305

Promod C Gupta
Chief Financial Officer

Place: Greater Noida, U.P.
Dated : 28th August, 2023

PG ELECTROPLAST LIMITED
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE QUARTER ENDED JUNE 30,2023
(All Amounts are in Rupees lakhs, unless otherwise stated)

Particulars	Note	For the period ended June 30 2023	For the period ended June 30 2022
Income			
Revenue from operations	8	67,761.60	53,673.31
Other Income	9	129.62	125.54
Total Income		**67,891.22**	**53,798.85**
Expenses			
Cost of Materials Consumed		49,023.12	35,972.90
Purchase of Traded Goods		2,711.86	10,326.49
Changes in inventories of finished goods and work-in-progress		3,772.91	(1,558.63)
Employee benefits expenses		3,561.04	2,733.09
Finance costs		1,403.76	962.53
Depreciation and amortisation expenses	3A	1,070.54	773.43
Other expenses		2,112.07	2,534.71
Total Expenses		**63,655.30**	**51,744.52**
Profit before exceptional items & tax		**4,235.92**	**2,054.33**
Exceptional Items		-	-
Profit before tax		**4,235.92**	**2,054.33**
Tax expenses			
Current tax		777.88	75.19
Deferred tax		77.48	339.08
Total tax expenses		**855.36**	**414.27**
Profit for the quarter		**3,380.56**	**1,640.06**
Other comprehensive income			
A. Items that will not be reclassified to profit or loss in subsequent period			
Remeasurement gain on the defined benefit plans		(7.50)	(15.00)
Income tax effect		1.69	-
B. Items that will be reclassified to profit or loss in subsequent period			
Remeasurement gain on the defined benefit plans		-	-
Income tax effect		-	-
Other comprehensive income for the quarter		**(5.81)**	**(15.00)**
Total comprehensive income for the quarter		**3,374.75**	**1,625.06**
Profit for the quarter attributable to			
Equity share holders of the parent company		3,380.56	1,640.06
Non controlling interests		-	-
Other comprehensive income for the quarter attributable to			
Equity share holders of the parent company		(5.81)	(15.00)
Non controlling interests		-	-
Total comprehensive income for the quarter attributable to			
Equity share holders of the parent company		3,374.75	1,625.06
Non controlling interests		-	-
Earnings per equity share of Rupee 10 each			
Basic earnings per share		14.85	7.73
Diluted earnings per share		14.71	7.17
Corporate information	1		
Significant Accounting Policies	2		

The accompanying notes are an integral part of unaudited interim condensed consolidated financial statements.

As per our report of even date attached
For S.S.Kothari Mehta & Company
Chartered Accountants
Firm Registration No. 000756N

For and on behalf of Board of Directors
PG Electroplast Limited

Amit Goel
Partner

M. No. 500607

Place: Greater Noida, U.P.
Dated : 28th August, 2023

Anurag Gupta
Chairman &
Executive Director
DIN-00184361

Vishal Gupta
Managing Director -
Finance
DIN-00184809

Sanchay Dubey
Company Secretary
ACS No:A51305

Pramod C Gupta
Chief Financial Office

PG ELECTROPLAST LIMITED

UNAUDITED INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR FOR THE QUARTER ENDED JUNE 30,

(All Amounts are in Rupees lakhs, unless otherwise stated)

	Particulars	For the quarter ended June 30, 2023	For the quarter ended June 30, 2022
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax	4,235.92	2,054.33
	Adjustments to reconcile profit before tax to net cash flows		
	Depreciation/amortization (Includes depreciation of Right to Use)	1,070.54	773.43
	ESOP Expenses	230.15	32.94
	Employees expenses non operating	(7.50)	(15.00)
	Loss on sale of fixed assets & Assets written off	-	16.48
	Profit on sale of fixed assets	(5.13)	(5.21)
	Misc balances written off	-	7.73
	Provision for warranty expenses- post sales	-	10.00
	Provision for doubtful advance to suppliers & capital advance	-	30.00
	Provision for slow & non moving Inventories	25.37	(10.04)
	Loss on fixed assets due to Fire	15.05	-
	Liabilities written back	(0.30)	(1.87)
	Interest expense on leased liabilities	51.75	28.25
	Profit on Recognition of Investment through FVTPL	(7.59)	4.05
	Interest expense	1,352.01	934.28
	Interest income	(114.30)	(62.71)
	Cash flow generated from operating activity before working capital adjustments	**6,845.96**	**3,796.66**
	Movements in working capital :		
	Increase/(decrease) in trade Payables	(12,696.98)	1,689.06
	Increase/(decrease) in non current provisions	34.09	40.35
	Increase/(decrease) in non - current liabilities	38.60	-
	Increase/(decrease) in current provisions	1.34	3.67
	Increase/(decrease) in Other Current Liabilities	(1,609.83)	(712.96)
	Increase/(decrease) in other Financial Liabilities	(875.86)	(119.06)
	Decrease/(increase) in trade receivables	12,105.53	(327.87)
	Decrease/(increase) in inventories	7,789.02	5,115.08
	Decrease / (increase) in Short term loans	(3.67)	218.28
	Decrease/(increase) in Other Current Assets	(1,035.49)	(393.03)
	Decrease/(increase) in Other current financial asset	(49.62)	(120.83)
	Decrease/(increase) in Other non Current Assets	11.39	4.16
	Decrease/(increase) in other non current asset	(79.01)	(89.44)
	Cash generated (used in)/from operations	10,475.48	9,104.09
	Direct taxes (paid)/refund	(94.16)	(77.16)
	Net cash flow genrated from /(used in) operating activities (A)	**10,381.32**	9,026.93
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Property Plant and equipment including CWIP & Intangible assets	(3,528.91)	(3,188.58)
	Proceeds from sale of Property plant and equipment	(7.06)	13.18
	Investments made during the quarter	(6.00)	(6.00)
	Deposit (made) maturity	383.78	(27.55)
	Interest received	115.81	58.70
	Net cash flow (used in) investing activities (B)	**(3,042.38)**	**(3,150.25)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from Long-term borrowings	471.29	248.77
	Repayment of long-term borrowings	(1,295.75)	(874.05)
	Proceeds from equity share capital	4.75	-
	Short-term borrowings (Net)	(5,629.40)	(3,629.62)
	Payment of principal portion of lease liabilities	(69.61)	(58.15)
	Payment of interest portion of lease liabilities	(51.75)	(28.25)
	Interest paid	(1,343.44)	(1,024.06)
	Net cash flow used in financing activities (C)	**(7,913.91)**	**(5,365.36)**
	Net increase/(decrease) in cash and cash equivalents (A + B + C)	(574.97)	511.32
	Cash and cash equivalents at the beginning of the period	866.91	2,385.29
	Cash and cash equivalents at the end of the period	**291.94**	**2,896.61**

Components of cash and cash equivalents

	As at June 30, 2023	As at June 30, 2022
Cash on hand	13.12	20.06
With banks:		
-on current account	278.82	2,876.55
Total cash and cash equivalents	**291.94**	**2,896.61**

PG ELECTROPLAST LIMITED
UNAUDITED INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR FOR THE QUARTER ENDED JUNE 30,
(All Amounts are in Rupees lakhs, unless otherwise stated)

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS 7) "Statement of Cash Flows".

As per our report of even date attached
For S.S.Kothari Mehta & Company
Chartered Accountants
Firm Registration No. 000756N

Amit Goel
Partner

M. No. 500607

Place: Greater Noida, U.P.
Dated : 28th August, 2023

For and on behalf of Board of Directors
PG Electroplast Limited

Anurag Gupta
Chairman &
Executive Director
DIN-00184361

Vishal Gupta
Managing Director
- Finance
DIN-00184809

Sanchay Dubey
Company Secretary

ACS No:A51305

Promod C Gupta
Chief Financial
Officer

PG ELECTROPLAST LIMITED

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30TH JUNE,2023

(All Amounts are in Rupees, unless otherwise stated)

A **EQUITY SHARE CAPITAL**

Equity shares of Rs.10 each issued,subscribed and fully paid up

Particulars	Note	Amount
As at 1st April 2022		**2,122.49**
Issue of Share Capital	6	151.77
As at 31st March, 2023		**2,274.26**
Issue of Share Capital	6	4.82
As at 30th June,2023		**2,279.08**

B **OTHER EQUITY ***

Particulars	Reserves and surplus			Equity Components of cumulative compulsory convertible debentures	Other Comprehensive Income	Employee Share Option Reserve	Money Received against Share Warrants	Total other equity
	Treasurey Shares	Securities premium	Retained earnings					
Balance as at April 1st,2022	**-**	**18,509.61**	**6,179.83**	**4,069.16**	**104.44**	**206.77**	**37.50**	**29,107.31**
Profit for the year	-	-	7,746.86	-	-	-	-	7,746.86
Remeasurement gain on defined benefit plans	-	-	-	-	(3.04)	-	-	(3.03)
Amount received for share warrants during the year	-	-	-	-	-	-	112.50	112.50
Amount received on issue of CCCDs	-	-	-	89.39	-	-	-	89.39
Dividend on Equity Component of CCCDs	-	-	(488.88)	439.99	-	-	-	(48.89)
Converted into Equity share capital	-	-	-	(136.46)	-	-	(10.00)	(146.46)
Transferred to securities premium	-	4,729.77	-	(4,462.08)	-	-	(140.00)	127.69
Treasurey Shares	(6.25)	-	-	-	-	-	-	(6.25)
Amount Transferred to retained earning on excise of ESOPs	-	-	72.10	-	-	(72.10)	-	-
Adjustment on termination of ESOP	-	-	4.05	-	-	(4.05)	-	-
Share based employee expenses	-	-	-	-	-	339.40	-	339.40
Balance as at 31st March, 2023	**(6.25)**	**23,239.38**	**13,513.97**	**-**	**101.40**	**470.02**	**-**	**37,318.52**
Profit for the quarter	-	-	3,380.56	-	-	-	-	3,380.56
Remeasurement gain on defined benefit plans	-	-	-	-	(5.81)	-	-	(5.81)
Shares transferred to beneficiaries	4.75							4.75
Transferred to securities premium	-	115.68	-	-	-	-	-	115.68
New allottment of treasurey shares	(120.50)	-	-	-	-	-	-	(120.50)
Amount Transferred to retained earning on excise of ESOPs	-	-	42.76	-	-	(42.76)	-	-
Adjustment on termination of ESOP	-	-	1.99	-	-	(1.99)	-	-
Share based employee expenses	-	-	-	-	-	230.16	-	230.16
Balance as at 30th June,2023	**(122.00)**	**23,355.06**	**16,939.28**	**-**	**95.59**	**655.43**	**-**	**40,923.36**

Nature and Purpose of Reserves

(i) **Securities premium**

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

(ii) **Retained earnings**

Retained Earnings are profits that the Group has earned till date less transfer to other reserve, dividend or other distribution or transaction with shareholders.

(iii) **Employee share option reserve**

The share option outstanding account is used to recognise the grant date fair value of options issued to employees under Employee stock option plan.

PG ELECTROPLAST LIMITED
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30TH JUNE,2023
(All Amounts are in Rupees, unless otherwise stated)

(iv) **Other Comprehensive Income**
Other comprehensive income is the acturial gain/(loss) on defined benefit plans (i.e Gratuity) till the date which will not be reclassified to statement of profit and loss subsequently.

(v) **Money Received against share warrants**
It pertains to the application money received on grant of share warrants, this will be transferred to equity share and securities premium on conversion into equity share capital.

(vi) **Cumulative Compulsorily Convertible Debentures (CCCDs)**
It pertains to equity component of cumulative compulsorily convertible debentures.

The accompanying notes are an integral part of unaudited interim condensed consolidated financial statements.

As per our report of even date attached
For S.S.Kothari Mehta & Company
Chartered Accountants
Firm Registration No. 000756N

Amit Goel
Partner

M. No. 500607

Place: Greater Noida, U.P.
Dated : 28th August, 2023

For and on behalf of Board of Directors
PG Electroplast Limited

Anurag Gupta
Chairman & Executive Director
DIN-00184361

Vishal Gupta
Managing Director - Finance
DIN-00184809

Sanchay Dubey
Company Secretary
ACS No:A51305

Pramod Gupta
Chief Financial Officer

PG ELECTROPLAST LIMITED
NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30,2023
(All Amounts are in Rupees lakhs, unless otherwise stated)

1 CORPORATE INFORMATION

The consolidated financial statements comprise financial statements of PG Electroplast Limited ("the Parent group") and its subsidiaries (collectively,"the Group") as at and for the quarter ended June 30, 2023. PG Electroplast Limited ("the Parent group") is a public group domiciled in india and is incorporated under the provisions of the Companies Act applicable in india. Its equity shares are listed with the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The registered office of the group is located at DTJ - 209, DLF Tower B, Jasola, New Delhi - 110025. The Group is an Electronic Manufacturing Services (EMS) provider for Original Equipment Manufacturers (OEMs) of consumer electronic products in India. The group manufactures and / or assemble a comprehensive range of consumer electronic components and finished products such as Kitchen Appliances, air conditioners (ACs) sub- assemblies, Air Cooler, Washing Machine, Mobile handsets, LED for third parties.

2 Basis of prepration

These unaudited condensed consolidated interim financial statements which comprise the condensed consolidated balance sheet as at June 30, 2023 , the condensed consolidated statement of profit and loss (including other comprehensive income), the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the quarter ended June 30, 2023 and key explanatory information (together herein after referred to as "Unaudited Condensed Consolidated Interim Financial Statements") have been prepared in accordance with the principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India.

The accounting policies and critical accounting estimates & judgements followed in the preparation of the Unaudited Condensed Consolidated Interim Financial Statements are consistent with those followed in the preparation of Financial Statements for the year ended March 31, 2023.

The Unaudited Condensed Consolidated Interim Financial Statements do not include all the information and disclosures Statements as at March 31, 2023. However, selected explanatory notes are included to explain events and transactions financial position and performance since the last Audited Financial Statements. These Unaudited Condensed Consolidated Interim Financial Statements are not the statutory accounts for the purpose of any statutory compliances or for regulatory requirements in any jurisdiction.

These Unaudited Condensed Consolidated Interim Financial Statements have been prepared only for the purpose of inclusion in the Preliminary Placement Document and the Placement Document to be filed with the Securities and Exchange Board of India, Registrar of Companies and the Stock Exchanges in connection with the proposed offering of equity shares of face value of Rs. 10 each in QIP in accordance with Provision of SEBI ICDR2018.

These Unaudited Interim Condensed Consolidated Financial Statements as at and for the quarter ended June 30, 2023 along with the comparatives as mention above are approved and adopted by the Committee of the Board of Directors of the Company in their meeting held on 28th August,2023.

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