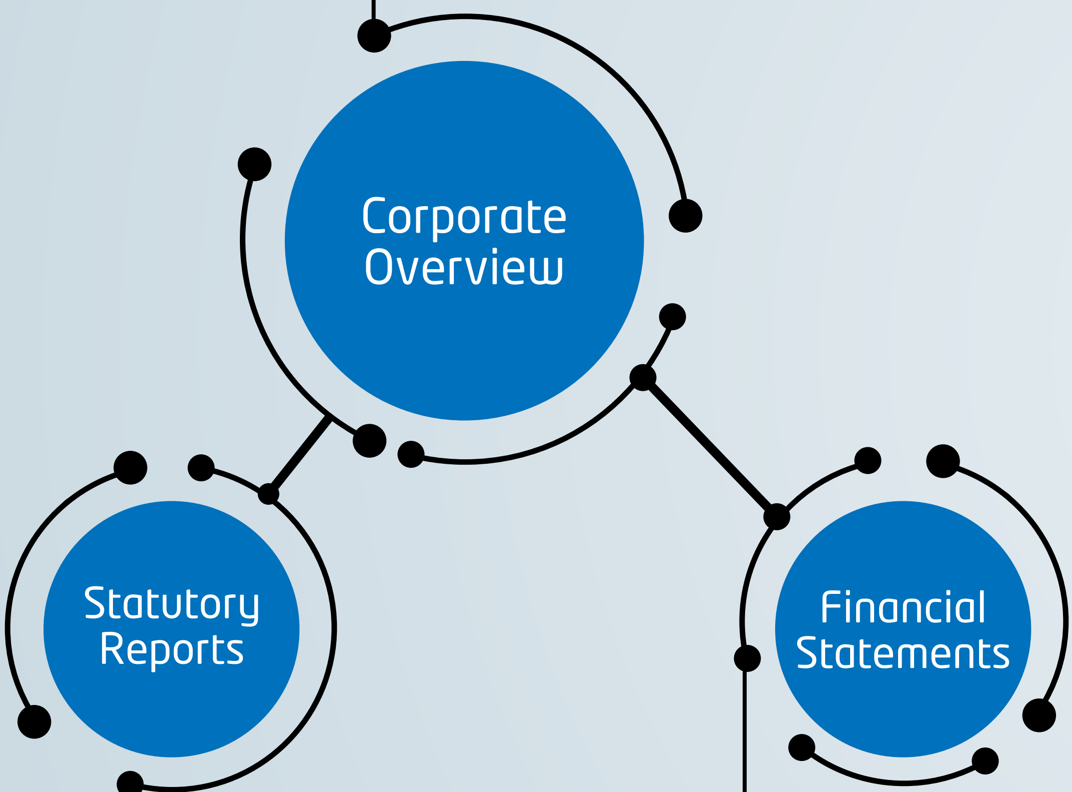
Developing Capabilities for Lasting Transformation

PG ELECTROPLAST LIMITED | Annual Report 2017-18

Inside this Report



CAUTION REGARDING FORWARD LOOKING STATEMENTS

Certain statements in this annual report concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, our actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Developing Capabilities for Lasting Transformation

PGEL started as a Plastic Moulding unit in Greater Noida and has since diversified into PCB Assemblies, Consumer Durables, Tool Manufacturing and recently, mobile phone manufacturing and PU Paint. We have been serving the industry since 2003 and have a strong lineage of 15 years to look up to.

PGEL has launched major transformations and carried out reflective changes in our company strategy, business model, organization, culture, people, and processes to achieve sustainable performance improvement. We are developing our capabilities for a lasting transformation by building and strengthening the muscles of the company – the processes, the manpower and the client relationship. With the finish line in sight, we are traversing the distance with an added emphasis on our business performance. Our capabilities are based on systematic and explicit coordination across functions and business units with a focus on the bigger picture.

This has been at the core of PGEL right since its inception in 2003. Over the past 3 – 4 years we have been developing our capabilities in-house for a majority of the services that are now being provided to our clients under one roof. Building these capabilities has helped PGEL to initiate and execute the transformation which places us into a higher league of solution providing entities. We have recorded a revenue growth of 9.0% in FY 2017-18.

We are well on the path to execute our vision – to emerge as a global one-stop solution partner in the field of Plastic Molding and Electronic Manufacturing Services (EMS) by maximizing efficiency and technological innovation. At PGEL, we aim to provide the highest quality products – competitively priced, along with services exceeding our customer's expectations. PGEL has recorded a turnover of INR 404.7 crore with a profit after tax (PAT) of INR 7.49 crore and a year-on-year net profit growth of 122.7% for FY 2017-18.

Building new Capabilities

For PGEL, the most important part of the business is to optimise our supply chain through a combination of one-stop solutions and tailored services. Capability building has always remained a high strategic priority for us. To this effect, we are continuously improving our existing capabilities for evolving needs by using unique skill building approaches.

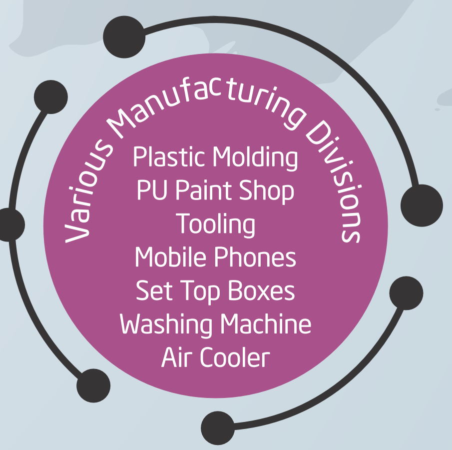
The electronics and white goods market in India is one of the most promising and growing markets. And, our intention is to ride the wave. We, at PGEL, have diversified into various services in the past three years, all the while staying

focussed on our goal of providing one-stop solutions to our clients. In 2015, the company added an assembly plant for Set Top Boxes. 2016 saw PGEL starting a tooling division and mobile manufacturing services and in 2017 a PU Paint shop was added to our capability set. We have voluntarily become a part of the government's 'Make in India' initiative too.

Our state-of-the-art manufacturing units and effective procurement processes result in a combination of suitable products and services. Our principal focus is to ensure maximum value, and achieve desired level of result whilst minimising costs and a guarantee of the best sourcing solution for the client's organisation. As a result, we have gradually increased the share of higher value-added business, especially, ODM – Air coolers and Washing machines.

These value additions on part of PGEL are increasing our client satisfaction and in turn, our client base. We have identified the strategic areas where changes are needed, provided ourselves with a roadmap for building the skills, knowledge and processes needed to carry out and sustain the critical changes. And, the business numbers have followed our upward progress.

We, at PGEL, have diversified into various services in the past three years, all the while staying focussed on our goal of providing one-stop solutions to our clients



Transforming to create unique Positioning

The plastic industry in India is one of the fastest growing sectors with a growth rate of 12%. Growing parallelly, PGEL too is increasing its delivering capacity by adapting various new technologies. We cater to our clients through whole spectrum of plastic moulding technologies that we have introduced over the past few years. Currently our 140 molding machines spread over 5 plants in Greater Noida, Uttar Pradesh, Roorkee, Uttarakhand and Ahmednagar, Maharashtra cater to varied clients in Electronics, Consumer Durables, Sanitary Ware and Automotive industry.

Being one of the largest producer of plastic molded parts in India, our aim is to provide a superior product at an optimum price with exceptional customer service. Any transformation brings real challenges for a business. We are continuously working on our weaknesses and achieving unprecedented levels of performance, including increased efficiency, higher product and service quality, and improved organizational capacity. Our transformation journey – from the plant floor to the boardroom – has been achieved by understanding the various aspects of our operations, culture, and technology. We have incorporated the required changes along the way as the latest technology solutions have helped us move forward with speed, ease, and efficiency.

Adapting to the growing demands of our customers, shareholders and the overall industry, PGEL has successfully modified itself with the complexities of the industry by adopting a comprehensive, end-to-end integrated platform to drive new efficiencies and streamline processes. This has accelerated our innovation and managed disruptive changes proactively. In last 3 years we have introduced new products with higher value addition – like, plastic blades for ceiling fans, Air coolers, Washing machines, UF toilet seats, and have successfully added new clients to our kitty– Kohler, Orient Fan, Voltas, Intex, Whirlpool, etc.

Our transformation journey – from the plant floor to the boardroom – has been achieved by understanding the various aspects of our operations, culture, and technology

Transformation through Strategic Execution

A brilliant strategy, popular product, or breakthrough technology can put you on the competitive map, but you have to be able to deliver on your promise. The key to this is solid execution of strategies to help you leverage your optimum potential.

Armed with this understanding, PGEL looked in to the existing management model and revamped it to make everybody accountable, establishing a connection between performance and reward. Our blueprint for transformation draws upon developing efficient solutions, improving core operations, and building robust internal systems. Carefully following this blueprint, we have managed to remove our supply chain inefficiencies over a period of time. The journey from blueprint to reality was interspersed with putting powerful data-driven solutions to work, optimizing operations and efficiencies, providing solutions that boost operational visibility and connectivity and to seamlessly connect the internal processes with one another throughout the supply chain.

Our convenient one-stop shop experience has resulted in enhanced customer experience and improved internal operational visibility. Increasing the automation of core internal business processes has helped us put forth agile, next-generation solutions and helping us become a more strategic supplier to our clients by building moulds in tooling division and giving bigger assemblies and full systems to the clients.

The core talent of PGEL lies in the offering of more streamlined end-to-end services than our contemporaries.

From
OEM Supplier
To
ODM Manufacturer
within 3 Years

Component
Manufacturing
To End-to-End
Solutions within
3 years

Turnover
₹ 263 Cr.
in FY16
to
₹ 405 Cr.
in FY18

PAT
₹ 191 Lakhs
in FY16
to
₹ 749 Lakhs
in FY18

Our Corporate Identity

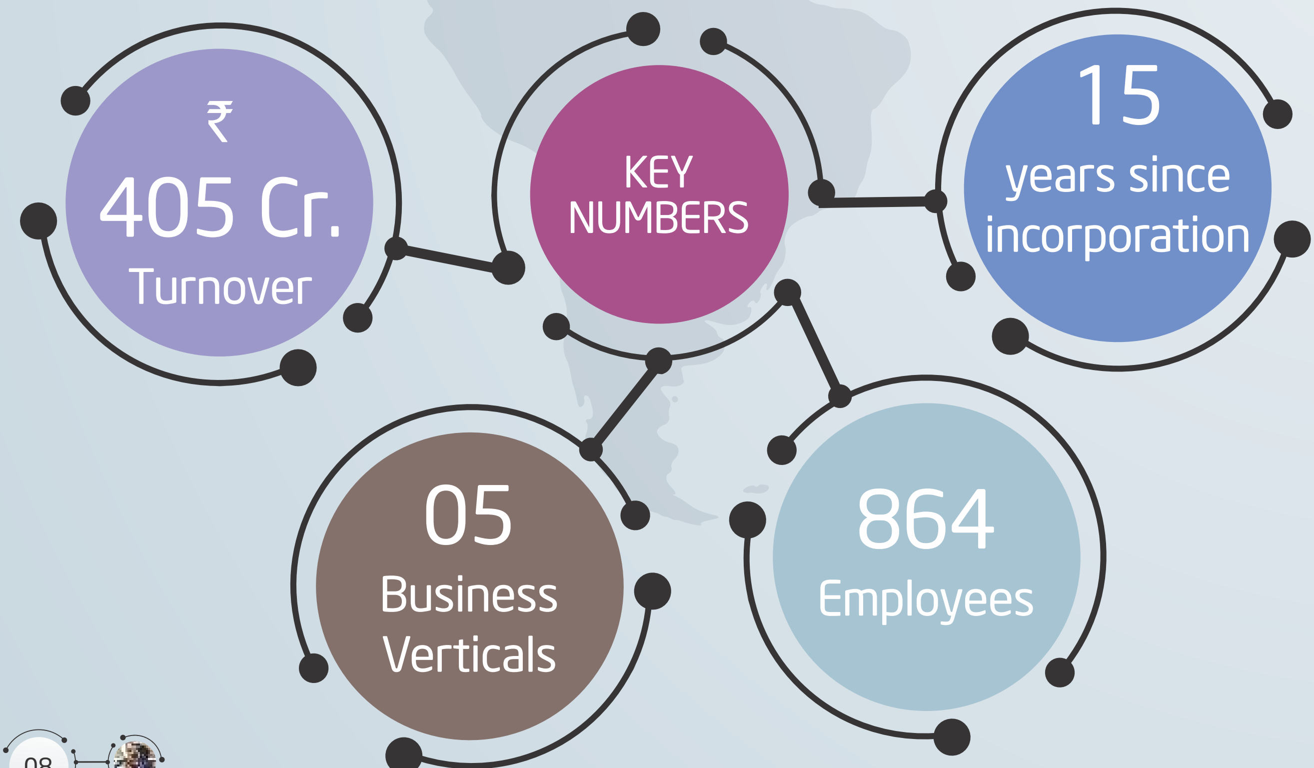
ABOUT US

PGEL is a diversified Electronic Manufacturing Services and Plastic Injection Molding Company catering to leading OEMs in Consumer Durables, Sanitary Ware and Automotive Industry. Since its inception in 2003, the PG Group has delivered on its promise of high quality at an optimum price. We specialize in turnkey solutions as an EMS for PCB Assemblies, full product assembly, plastic injection molding and engineering services for Consumer Electronics, Home and Kitchen Appliances, Automotive Industry Parts, Lighting industry and Mobile Phones. We are passionate about our research & development - our new manufacturing & testing facilities for elimination of defects in our products stand testament to this fact.

OUR BUSINESS

These capacities and capabilities have helped PGEL to add more technical capabilities within the system to develop new product lines allowing the company to improve business mix in favour of higher margin ODM business and more value addition for its clients.

We are what we preach - 'Uncompromised delivery every time'.



OUR MANUFACTURING INFRASTRUCTURE

PG Electroplast has five state-of-the-art manufacturing units across Greater Noida in Uttar Pradesh, Roorkee in Uttarakhand and Ahmednagar in Maharashtra.

The facilities have been certified with some of industry's best quality, Safety and Environmental certifications.

ISO 14001 2015
ISO 18001 2007
IATF 16949 2016
ISO 9001 2015

05 Manufacturing Units

Unit I – Greater Noida, Uttar Pradesh

P-4/2 to 4/6, Site-B, UPSIDC Industrial Area, Surajpur, Greater Noida, District Gautam Budh Nagar, Uttar Pradesh, India, Pin -201306

Products and Services: Plastic Moulding, PU Paintshop, Washing Machine Manufacturing

Unit II – Roorkee, Uttarakhand*

Khasra No. 268 & 275, 15th Milestone, Roorkee, Dehradun National Highway-73, Vill Raipur, Pargana Bhagwanpur, tehsil – Roorkee, Dist. Haridwar, Uttarakhand, India, Pin - 247667

*Non-Operational

Unit III – Greater Noida, Uttar Pradesh

E-14 & 15, F-20, Site-B, UPSIDC Industrial Area, Surajpur, Greater Noida, District Gautam Budh Nagar, Uttar Pradesh, India, Pin -201306

Products and Services: Plastic Moulding, Sub Part Assemblies, Vertical Moulding, Thermoset Moulding

Unit IV –Ahmednagar, Maharashtra

Plot No. A-20/2 Supa Parner MIDC Industrial Area, City - Supa, Talika - Parner, District Ahemednagar, Maharashtra, India, Pin -414301

Products and Services: Plastic Injection Moulding, Mobile Manufacturing, LED TV Manufacturing, Air-Cooler Manufacturing

Unit V – Greater Noida, Uttar Pradesh

I-26 & I-27, Site-C, UPSIDC Industrial Area, Surajpur, Greater Noida, District Gautam Budh Nagar, Uttar Pradesh, India, Pin -201306

Products and Services: Tool Manufacturing & Designing, Blow Moulding

Our Business Portfolio

PLASTIC INJECTION MOULDING

PGEL is one of the largest manufacturers of Plastic Molded Parts in India for Consumer Electronics & Automotive Industry. We specialize in small, medium and big sized, high-precision, surface critical injection molded components offering an extensive range of components for automotive and electronics industries.

PLASTIC BLOW MOULDING

Our Plastic Blow Moulding process is used for a wide range of polymers for a variety of hollow plastic products across industries. Our state-of-the-art moulding equipment meet the most exacting specifications for such components.

THERMOSET MOULDING

In order to offer complete spectrum of plastic molding technologies to our customers we ventured into thermoset moulding this year. We specialize in moulding of robust thermoset polymers, which are desired for their superior surface finish, high tenacity and high temperature applications.

PCB ASSEMBLIES

PGEL provides evolved interconnect solutions for all kinds of printed circuit board assemblies for a wide range of applications across industries - Flat TV's, Smart Tv's, Energy Meters, Set Top Boxes and Multi Media speakers for leading Indian brands.

TOOL MANUFACTURING

PGEL develops small to medium sized moulds for a wide range of applications which include, Automotive industry, White Goods, Home & Kitchen Appliances, Lighting and Electrical Equipment.

FINAL PRODUCT ASSEMBLY

We provide end-to-end assembly for industry leaders in consumer products – like set top boxes, washing machines, air coolers and LED TV's. Our product range is customised as per the requirements of client

MOBILE MANUFACTURING

PG Electroplast has setup state of the art mobile phone manufacturing plants in Greater Noida and Ahmednagar in 2016 with focus on 'MAKE IN INDIA' campaign.

PU PAINT SHOP

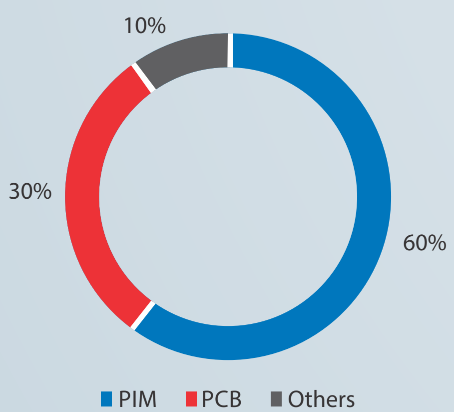
For providing superior surface finish solutions, PGEL has installed a state-of-the-art PU Paint shop in Greater Noida. We supply a number of parts in different shapes and sizes for automotive, electrical and consumer durables industry. The facility is equipped with automated painting line to attend to all kinds of painting related needs.

Financial Performance

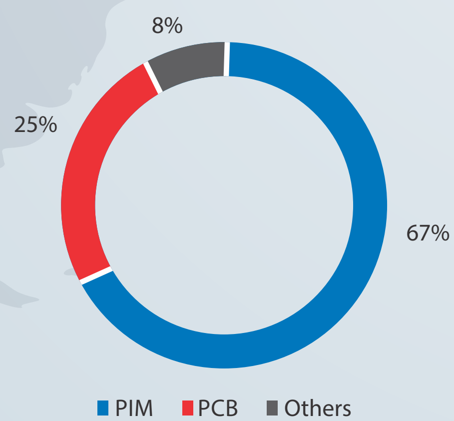
₹ in Lakhs

Particulars	2016	2017	2018
Total Income	26,339.20	36,948.45	40,473.12
Gross Block	19,802.83	22,639.31	22,439.42
EBITDA	2,127.79	2,401.59	3,007.35
PAT	190.56	372.47	748.50
Ratio in %			
EBITDA %	8.08%	6.50%	7.43%
PBT%	0.72%	1.01%	1.90%
PAT%	0.72%	1.01%	1.85%
ROI/ROCE	7.06%	7.90%	8.58%
ROE	11.61%	22.69%	46.86%
Sales Value Growth	8.81%	40.28%	9.54%
Ratio in Times			
DEBT/EBITDA	3.92	4.65	4.27

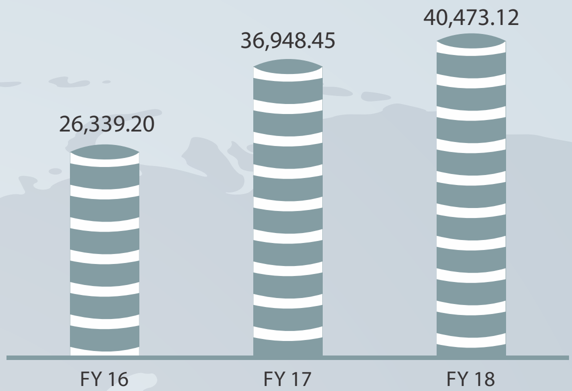
Product Segment-Wise Contribution (%) FY17



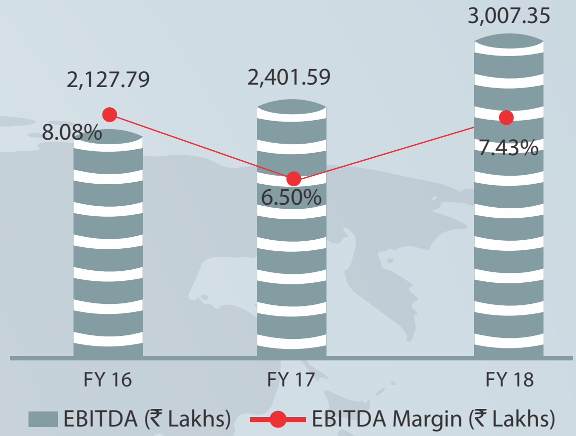
Product Segment-Wise Contribution (%) FY18



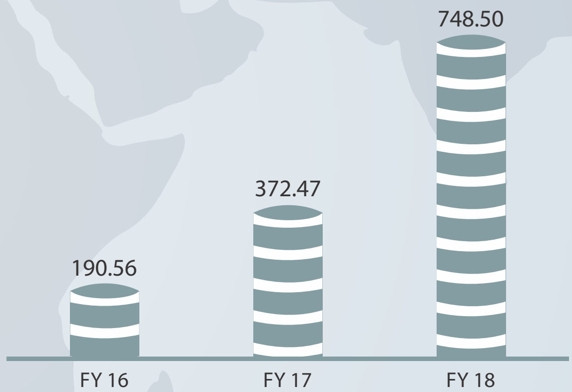
Total Income (₹ Lakhs)



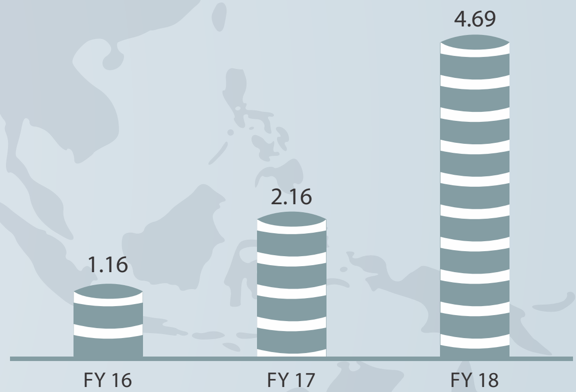
EBITDA (₹ Lakhs) & EBITDA Margin (%)



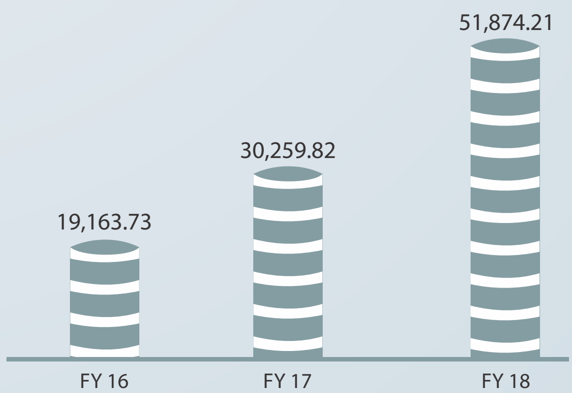
PAT (₹ Lakhs)



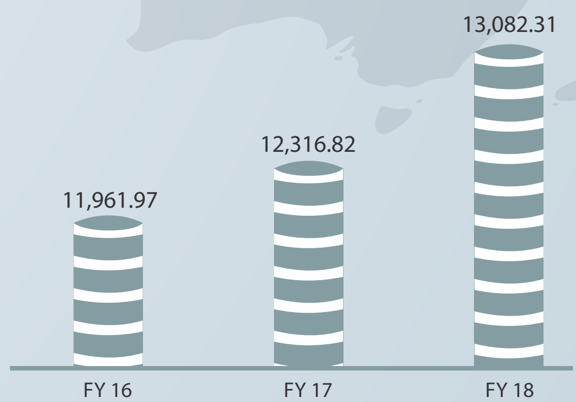
EPS (₹)



Market Capitalization (₹ Lakhs)



Net Worth (₹ Lakhs)



Operational Highlights - FY2017-18

Installed PU Paint Shop
A strategic expansion to PU (Polyurethane) Paint capability. A acrylic based clear coating for weather-resistance, UV protection and light-fastness.

New Product Line
Set up Thermoset - Urea-Formaldehyde (UF) Toilet Seats manufacturing facility. These UF seats are scratch-resistant, easy to clean and have high aesthetic value.

Product Development Capabilities

Started manufacturing Washing Machines and Plastic Blades for Ceiling Fans on ODM (Original Design & Manufacturer) model to build them from design to final product.

Production Capacity Ramp-up

Increased production capacities of Air Coolers from 50,000 units in FY17 to 1,00,000 units in FY18.

New Customer Acquisition

New customers added for existing products like Washing Machines, plastic parts for Refrigerator and Automotive Parts. Added new Customers for new products like UF Toilet Seats and Ceiling Fan Parts.

Funds Infusion by Promoters

Promoters invested ₹22.63 Cr. In FY18 as fresh infusion of funds in form of Zero Coupon Loan towards long-term commitment and sustainable growth potential.

Message from the Managing Director

Going ahead, the Company's strategies to become an end to end solution solutions provider will lead to higher profitability and better growth rates..

Dear Shareholders,

It gives me an immense pleasure to report that FY18 was truly a remarkable year for your company. In FY18, company has put in place several building blocks and started a lasting transformational journey for the company. In last couple of years, India has undergone several structural reforms and with government's focus towards a rule-based policy framework, the business environment is changing for the better. As a reflection of the cumulative actions, India's rank jumped 30 spots on the World Bank's Ease of Doing Business rankings. The manufacturing sector in India is looking up with "Make in India" initiative and with government's special thrust on Electronic manufacturing services (EMS), large growth opportunities are emerging for your company in this new environment.

DOMESTIC ECONOMIC DEVELOPMENTS

Considering the pace of reforms by the Central government and focused policy decision to boost the domestic manufacturing activities, India continues to be one of the fastest growing country with 6.6% GDP growth in FY18. Historic indirect tax reform, GST - "One Nation One Tax" coupled with ease of doing business has improved the business scenario and simplified tax compliance. Improvement in India's economic fundamentals has accelerated during the year due to the combined impact of indirect tax and other reforms and government focus on manufacturing and structural growth.

INDUSTRY UPDATES

With the rapid urbanization and change of lifestyle, India is poised to become world's fastest growing electronic market and is expected to become one of the largest consumer durables markets in the world in near future. This growth is supported by several government initiatives, massive electrification, growing online sales and changing lifestyle pattern. Much of this growth is likely to be contributed by Appliance and Consumer Electronics market (ACE) segment. "Make in India" initiative of government of India is attracting huge investment in the EMS space. Both domestic and International players are putting up capacities and Infrastructure to capture the emerging growth opportunities in India. Also, improving technology and cost efficiencies remain the key driver for the industry development.

PERFORMANCE OVERVIEW AND THE WAY AHEAD

During the year under review, your Company recorded a growth of 9.5% over the last year to achieve a top line of ₹4,047.3 million in FY18. This coupled with a decent jump of 90bps in operating margins led to 25.3% growth in operating profits. The Net profit grew over two-fold and stood at ₹74.9 million driven by efficient working capital management. To fuel the future growth, promoters have further infused ₹226.3 million in the Company as interest free loan during the year. We are well on our way, to become an end to end solution provider from a component and sub assembly manufacturer for our clients. To address the end-to-end requirements of our clients, we have taken up various strategic initiatives and we are investing in capacity enhancement and also building new capabilities. We believe that as all these synergies play out, your company will be able to capture large upcoming growth opportunities and take the organisation to the new level.

During the year under review, your Company added new capacity of PU paint shop, started UF thermoset toilet seat facility with the technology from Hoti (Xiamen) Plumbing Inc., China. Tool Room facility for making moulds has been further ramped up during the year and company commercially launched Washing machine under ODM model.

At PGEL, we continue to drive our business with focused strategic initiatives. Your company is making judicious investments in capacities and capabilities, getting into the strategic tie ups with reputed leading players in key segments and focusing on improving operational efficiencies to achieve higher scale and operating margins. The Company is further exploring opportunities under ODM model in products segments like LED TVs and Air conditioner. We finished FY18 on a high note, and now we are preparing ourselves to significantly scale our growth in light of the attractive market opportunities.

Going ahead, the Company's strategies to become an end to end solution solutions provider will lead to higher profitability and better growth rates. With the strong customer engagement, positive market sentiment, healthy balance sheet and diversified product portfolio, the Company can now cater to customers across segments and aspires to become key player in EMS space in India. Better capital utilization and improving operating margins due to value added products will lead to enhanced margins and return ratios.

A GRATITUDE TO OUR STAKEHOLDERS

As we move towards the most exciting time in our Company's history, we are grateful for the support of our stakeholders, including our vendors, customers, bankers, financial institutions, Central and State government bodies, dealers, business associates and employees. We aim to earn and retain your continued trust every day. We look forward to sharing our successes with you as we realise this Company's great potential and achieve the goals we have set for ourselves.

Sincerely,

Promod Gupta
Managing Director

Board of Directors

Mr. Anurag Gupta
Chairman and Executive Director – Technical

Mr. Anurag Gupta has an experience of more than 26 years in the field of Electronic Manufacturing Services. He has a Bachelor's Degree of Electronics in Computer Engineering and Science from Bengaluru University. He is responsible for development and implementation of technical policies, quality assurance, technological advancement, plant & machinery monitoring and Research & Development.

Mr. Vikas Gupta
Executive Director – Operations

Mr. Vikas Gupta has 23 years experience in the field of EMS. He holds a Master's Degree in Business Administration from University of Pune. He is responsible for products and service delivery to customers in an efficient and timely manner besides managing and increasing the operational efficiency.

Mr. Sharad Jain
Independent Non-Executive Director

Mr. Jain is a Chartered Accountant and a Fellow Member of the Institute of Chartered Accountants of India (ICAI). He has experience of over 34 years in Financial & Strategic Planning, Taxation, Accounting, Budgeting and Auditing. He is presently engaged in the profession of Chartered Accountancy for over 13 years and manages the financial consultancy, audit and compliance of PGEL.

Mr. Promod Gupta
Managing Director

A first-generation entrepreneur and one of the promoters of PGEL, he had launched the Group's operations in 1977. He brings a rich experience of more than 44 years. Prior to starting PGEL Group, he was employed as a senior scientist with the Defense Research and Development Organization (DRDO). He holds an engineering degree from BITS, Pilani and a Post Graduate Diploma in Marketing and Sales Management from Delhi University. He oversees the overall operations of PGEL besides developing and implementation of business strategies.

Mr. Vishal Gupta
Executive Director – Finance

Mr. Vishal Gupta holds a Master's Degree in Business Administration from University of Pune and has experience of 23 years in the field of electronic manufacturing services. His core responsibilities include financial accounting and general management including financial budgeting and planning besides human resource management and secretarial compliance.

Mr. Devendra Jha
Independent Non-Executive Director

Mr. Jha holds an engineering degree from IIT. He has a rich experience of over 34 years in Planning, Project Management, Business Development, Techno-commercial evaluation and Construction Finance.

Dr. Rita Mohanty
Independent Non-Executive Director

Dr. Mohanty holds a Degree of Bachelor of Medicine, Bachelor of Surgery (MBBS) and Doctor of Medicines (MD) (OBS & GYNAE). She had retired after 30 years of service under Central Government Heath Scheme, Ministry of Health & Family Welfare. She is an expert in Administration & Public Relation.

Mr. Ayodhya Prasad Anand
Independent Non-Executive Director

Mr. Anand has more than 50 years of industrial experience in India and abroad. He holds a Bachelor's Degree in Science, a Post Graduate Diploma in Spectroscopy and is a member of the Mining, Geological and Metallurgical Institute of India. He has provided technical, analytical and administrative services in the field of Quality Management to industries in India and abroad.

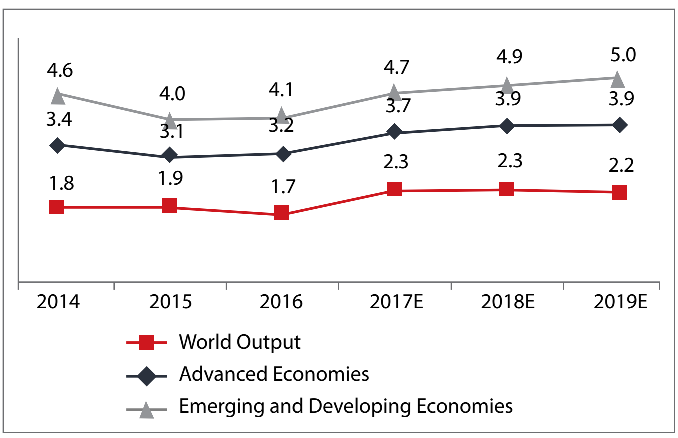
Management Discussion and Analysis

Global Economy Overview

The global economic environment is seeing a broad based cyclical recovery with a rebound in investment, trade and manufacturing activity. This is driven by accommodative policies and firming commodity prices. The tax rate cut by the United States will have an overall favourable impact, while in the short term, impact in the United States will be mostly driven by investment in response to the policy changes. Growth in advanced markets is driven by a recovery in capital spending and exports. The pickup in investment is reflected in increased capacity utilization, favourable financing conditions, rising profits and business sentiment.

Global output is estimated to have grown by 3.7% in 2017 as against 3.2% in 2016. World trade has improved across both advanced economies and emerging market and developing economies. This synchronous investment-led recovery is providing a substantial boost to the global exports and imports.

World Economic Output (%)



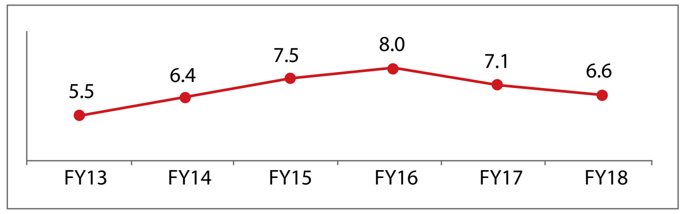
(Source: IMF, World economic outlook Report dated January 2018)

The stronger momentum experienced in 2017 is expected to carry into 2018 and 2019 as well, with expected global growth revised up to 3.9% in both years mainly led by advanced economies. Advanced economies like the USA, UK, Europe, Japan and others grew 2.3% in 2017 as against 1.7% in 2016. Favourable financial conditions and strong sentiments helped acceleration in demand and pick up in investments. These factors supported significant growth in export-based economies. Emerging markets grew by 4.7% in 2017 higher than 4.4% in 2016 due to robust global economic activity, increased asset inflows, strong current accounts and stable local currencies.

Indian Economy Overview

On the domestic front, despite the prevailing after effects of demonetisation and the implementation of Goods & Services Tax (GST), India continued to be the fastest growing economy. In FY 2017-18, India's GDP at constant prices is estimated to have grown by 6.6% as compared to 7.1% in the previous year, as per second advanced estimates issued by the Central Statistics Organisation (CSO). Acceleration in manufacturing, stronger activity in the services sector and a record agricultural harvest helped to boost growth. This has led to rising corporate sales growth, and pick-up in capacity utilisation across select manufacturing Industries.

India GDP growth trend (in %)



Source: Central Statistics Organisation

The GDP growth is expected to be robust in both 2019 and 2020. This growth will be largely driven by the accelerated pace of structural reforms, focus towards a rule-based policy framework and improvement in ease of doing business. India's recent reforms are expected to encourage formal sector activity, broaden the tax base, and improve long-term growth prospects.

GST - One Nation One Tax will create single market, increase productivity, boost corporate investment and help in reducing the cost of capital equipment. Investment will be further supported by the plan to re-capitalise public banks and by new road building ambitions. On the Direct tax front, the plans to reduce the corporate income tax rate and broaden the base will also promote growth.

For the electronics manufacturing industry, the GST would be beneficial as it will lead to increase in input tax credits due to a liberal credit mechanism, bring efficiencies in logistics management due to the abolition of various check posts and possible reworking of the distribution network and lower compliance costs.

As a reflection of the cumulative actions to improve the business environment, India's rank jumped 30 spots/points on the World Bank's Ease of Doing Business rankings. Although higher oil prices kept Fiscal deficit and inflation at a higher level than expected, the Economic Survey suggests that if the pace of structural reform continues and fiscal stability is kept under control, growth in medium term has the potential to reach 8%.

The increased confidence of Industry and higher economic activity would led to higher job creation and investment revival, coupled with large-scale government driven infrastructure programmes spanning sectors such as real estate, ports, roads and power, India could be soon entering a self-sustaining higher growth virtuous cycle.

As per IMF, India is poised to remain as the fastest growing economy in the world, with 7.4% growth in 2018 and 7.8% in 2019. Indian GDP is expected to reach US$5 trillion by 2025 as the economic reforms adopted in the last few years start to bear fruits. The World Bank expects Indian economic recovery to lift growth in South Asia region making it the world's fastest growing region.

Industry Overview

India is one of the largest and fastest growing Electronics product markets in the world. The future growth would be led by rapid rate of urbanisation and fast growing emerging middle-class population. Increasing electrification of rural areas, better affordability along with increasing product awareness and availability coupled

with a shift in lifestyle patterns will boost consumer spending on electronics and home appliances in the coming years.

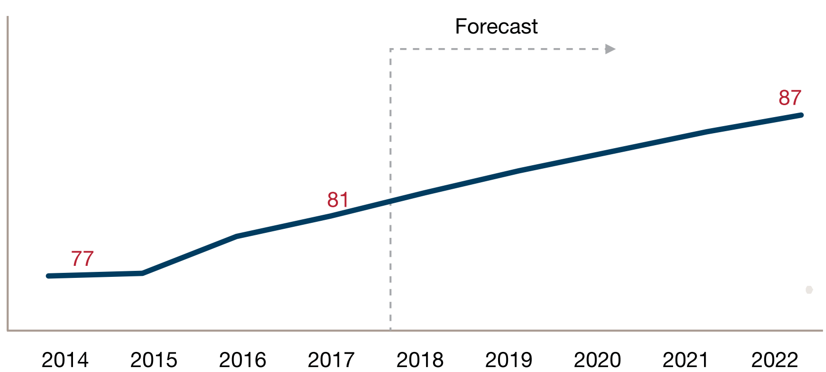
❖ Demographic Changes

The balance of economic power is shifting from developed world towards emerging economies such as China and India. In purchasing power terms (PPP), China economy has already overtaken US and India is expected to overtake the US by 2050. The growth of emerging middle class is proving to be the biggest catalyst for this shift in economic balance. In India, the young population segment is expected to grow by 21% over 2010 to 2021 and would constitute 42% of the country's population. As this segment has better awareness and high propensity to consume, the Indian Appliance and Consumer Electronics (ACE) industry is poised for transformation.

Countries	2016 GDP PPP* billion USD (E)	CAGR – GDP PPP, 2016-50 (P)
US	18,562	2.4%
China	21,269	3.5%
India	8,721	5.0%

❖ Increasing Affordability

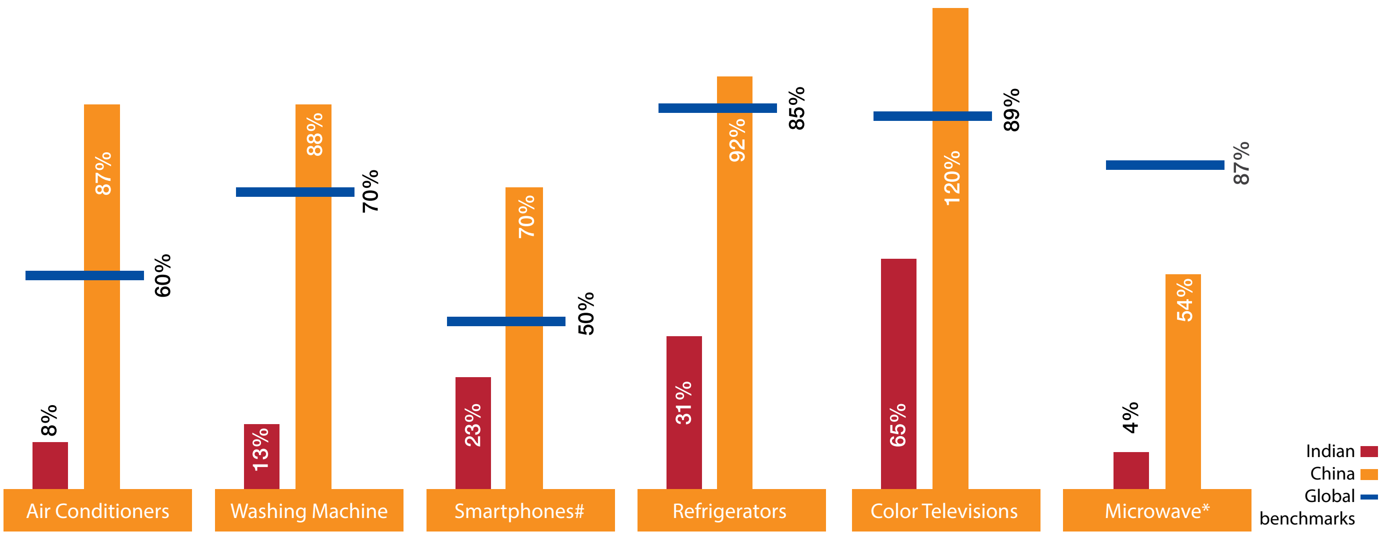
The falling price trend of consumer electronics, growth of young population, technological advancements and increasing purchasing power coupled with easy availability of consumer finance is leading to higher affordability of ACE products. As per the industry reports, the ACE affordability index is expected to rise from 81 level in 2017 to 87 level in 2022.



❖ Product Penetration

The Indian ACE market has sub-par penetration levels across the ACE products as compared to global average. In India, the Smartphones has only 23% penetration as compared to 70% in China and 50% of global average. In other products viz. Air Conditioners, Washing Machines, Microwave, the under-penetration is even wider. The prime reason for such under-penetration is country's urban-rural divide. This provides a large potential for increasing market penetration across the product categories.

In the past few years, government's thrust for infrastructure development through roads, rail, and power supply is supporting in reducing this gap. In addition, strengthening distribution network, increase in digital channels and increase in spending patterns would support in ACE products penetration.



The Indian ACE Products growth drivers

Products Segments	Growth Drivers
Air Conditioners	▪ Upgrading from Air coolers ▪ Shift to Split AC ▪ New energy efficient inverter technology
Smart Phones	▪ Conversion of feature phones to smart phones ▪ Penetration of mobile payments
Washing Machines	▪ Shift from semi-automatic to automatic ▪ Penetration in Tier II and III towns
Microwave	▪ Upgrading to convection ovens ▪ Customer acceptance for Indian food preparation
Refrigerator	▪ Replacement of old energy in-efficient units ▪ Penetration in Tier II and III towns
Television	▪ Replacement of Cathode ray tubes (CRTs) with flat panel display (FPD) ▪ Shift to higher screen size ▪ Internet penetration driving demand for smart TVs

Source: IBEF

Government Schemes & initiatives

Government has a special focus on supporting the ACE industry by several schemes and initiatives. Recently, government has prioritised the promotion of electronic manufacturing to achieve net zero imports by 2020.The push to electronic governance through digital reforms such as Aadhar would be catalyst for demand in electronic devices, smartphones and technology platforms.

To support domestic manufacturing in Electronics, government has implemented several initiatives. Below are some of the key initiatives:

❖ Favourable FDI Climate

Government has allowed 100% FDI in the electronics hardware manufacturing sector under the automatic route. FDI into single brand retail has been increased from 51% to 100%. No industrial licence requirement and no payment of technical know-how fee and royalty for technology transfer under the automatic route has also supported in investment scenario in the sector.

❖ Reduced Custom Duty

Government has reduced custom duty on certain input like wires, cables, refrigerators compressor parts. Custom duty of LCD/LED TV reduced to Nil from 10%. This will promote the production of consumer electronics in India.

❖ Export Promotion Capital Goods (EPCG) Scheme/EHTP Scheme

To support capital investment in the sector, the government has implemented EPCG scheme to allow import of capital goods on paying 3% custom duty. The government has also set-up EHTPs to provide benefits such as duty waivers and tax incentives, to companies which replaces certain imports with local manufacturing. In addition, government has introduced Differential duty structure through Basic Custom Duty (BCD) and Preferred Market Access Policy.

- National Electronic Policy

  To boost investment in the sector, the Government is in process of implementing national electronic policy. The objective of the policy is to create an eco-system for a globally competitive electronic manufacturing sector with turnover of US$ 400 billion by 2020. The scheme envisages an investment of US$ 100 billion and employment opportunities for around 28 million people.

- Modified special incentive package scheme (M-SIPS) has been introduced for growth of consumer durable industry.

- To promote innovation and R&D in the industry, Government has set-up Electronics Development Fund, Centre of Excellence for IoT and Electronpreneur park for startups.

- To nurture the industry skill sets, government has envisaged Digital Saksharta Abhiyan (DISHA), Visvesvaraya PhD Scheme for electronics & IT, Electronic Sector Skills Council of India (ESSCI)

- Other Government reforms like Digital India, Make in India, Jandhan-Aadhar-mobile trinity and simplified labour reforms are providing further impetus to the industry.

- To enabling Domestic Ecosystem, government has formed Electronic Manufacturing Clusters (EMC), Semiconductor Policy, Electronic product testing/quality control labs, Electronics India B2B Platform etc.

Future Industry Trends

- Advancement in technology and higher competition are driving price reductions across the segments, leading to further affordability and rising penetration of luxury products among masses.

- Several government initiatives including 'Make in India', leading to several domestic and foreign manufacturing companies to invest in the country.

- Rising trend of contract manufacturing contracts to local manufacturers is aiding scale and cost efficiencies in the industry.

- Easy finance schemes have been a major enabler for growth in luxury consumer appliances products and shortening of product replacement lifecycles and is one of the growth drivers for the Industry.

- Growth in online retailing and facilitating newer channels of growth is adding to address the pent-up demand in the sector, especially among millennials.

Company Overview

PG Electroplast Limited (herein after to be referred as the Company/ PGEL), is a leading player in Electronic Manufacturing Services (EMS) and Plastic Injection Molding Industry. Established in 2003, the Company is a trusted partner and vendor of choice for the leading Original Equipment Manufacturers (OEMs) in Consumer Electronics and Automotive Industry. The Company has a strong and diversified presence in following business segments:

a) Plastic Molding

The Company is the one of the largest manufacturer of Plastic molded parts for consumer electronics and automotive industry in India. The Company has more than 140 molding machines ranging from 90T to 2000T, spread over five plants in Greater Noida, Roorkee and Ahmednagar. The Company's manufacturing systems, inhouse R&D and Engineering team ensure global quality levels and best in class products for the OE clients.

The Company has capabilities in all kind of moldings viz Injection, Vertical, Blow molding and Thermoset molding to cater to wide range of customer requirements across industries.

b) PCB Assemblies

The Company provides best-in-class solutions for all kinds of printed circuit board (PCB) assemblies for a wide range of applications across industries on turnkey basis. The Company manufacture PCB Assemblies for Flat TVs, Smart TVs, Set Top Boxes and Multi Media Speakers for leading Indian and international brands.

c) Mobile Manufacturing

The Company has state-of-the art mobile phone manufacturing plants in Pune, with an assembling capacity of 5 million units per annum.

d) PU paint shop

The Company has state-of-the-art PU paint shop in Greater Noida. The Company supply several parts in varied size and shapes for automotive, electrical and consumer durable industry. The facility is equipped with automated painting line to attend to all kind of painting assignments.

e) Final Product Assembly

The Company provides end-to-end assembly solutions for industry leaders in several consumer products viz. Set Top Boxes, Washing Machines, Air-Coolers and LED TVs.

f) Tool Manufacturing

The Company manufactures small to medium size molds for a wide range of applications which include, Automotive Applications, White Goods, Home & Kitchen Appliances, Lighting and Electrical Equipment etc.

g) ODM

The company has developed and successfully launched Air-cooler and washing machines under the ODM model and company has plans to develop and launch more products in coming years.

Strengths

- **Leadership Presence**

  Over the years, the Company has established leadership presence in the plastic molding business for all segments of consumer durable industry viz. Washing Machines, Air conditioners, Refrigerators, Ceiling Fans and Sanitary ware products.

- **Diversified Portfolio**

  The Company's product portfolio includes plastic moulded products, printed circuit boards, mobile and various types of kitchen appliances. This large portfolio helps the Company to cater to consumer electronics, home and kitchen appliances and automotive industries, resulting in low dependency on any particular sector.

- **Unique positioning**

  The Company is uniquely positioned with all in-house capabilities of plastic molding, PU paint facility, tooling facility and box building capabilities. It enhances the Company's position in competitive landscape.

- **Strong Balance Sheet**

  The Company has a strong balance sheet; this supports the Company's capabilities to invest in growth opportunities.

- **Reputed & Strong Client Base**

  Over the decades of experience in the industry, the Company has established deep relationship with prestigious customers such as LG Electronics India Private Limited, Whirlpool of India Ltd., SMR Automotive Systems India Limited, Jaquar & Company Private Limited, Voltas Limited, Orient Electric, Honeywell, Kohler, LAVA International Limited and Carrier Midea India Ltd.

Strategies:

- **Expand ODM business model**

  After successful launch of Air Coolers and Washing Machines, the Company is exploring opportunities in ODM space for other products segments viz. LED TVs and Air Conditioners.

- **Ramp-up of existing capacities**

  On the back of strong balance sheet and growing large opportunities in the consumer durable and automotive industry, the Company is strategically investing in ramping-up of capacities and capabilities to achieve higher scale and improved profitability.

- **Improvement in operational efficiencies**

  With higher level of value addition and continuous focus on operational excellence, the Company is improving operational efficiencies, which are resulting in better quality metrices and lower rejection ratios.

- **Enhance operating margins**

  The Company's leadership presence, diversified portfolio and product and process innovations along with higher value addition will support in enhancing operating margins on sustainable basis.

- **Better capital efficiencies**

  The Company is having vigorous thrust for improving cash flows and balance sheet optimisation, to achieve better capital efficiencies. This is resulting in improved return ratios for the Company.

Highlights for the FY 2018:

- The Company has started PU paint shop in Greater Noida during the year under review. This facility will be the major strength and growth driver of the Company.
- Started UF thermoset moulding seat facility during the year. The Company has sourced the technology from Hoti (Xiamen) Plumbing Inc., China for this facility.
- Commercially launched Washing machine facility under ODM model during the year.
- Tool Room facility for making moulds has been ramped up during the year; it will enhance competitive position of the Company.

Financial Review

Revenue for the FY 2018 is ₹3,994.2 million as compared to ₹3,663.5 million in FY 2017, a growth of 9.0%. The Company has recorded strong revenue growth in the year despite GST destocking impact and late arrival of summer in North India leading to lower cooler and AC part supplies during the 4Q FY2018.

Earnings before depreciation, Tax and Amortisation (EBIDTA) for the FY 2018 is ₹298.7 million as compared to ₹238.4 million in FY 2017, a growth of 25.3%. The EBIDTA margin has improved to 7.4% in FY 2018, as compared to 6.5% in FY 2017, an improvement of 90 basis points. This is led by improving business mix and operating leverage.

Net Profit for FY 2018 is at ₹74.9 million as compared to ₹33.6 million in FY 2017, a growth of 122.7%. The Net Profit margin has improved to 1.9% in FY 2018, as compared to 0.9% in FY 2017, an improvement of 100 basis points. The diluted Earnings Per Share (EPS) for FY 2018 is ₹4.56 as compared to ₹2.05 in FY 2017, a growth of 122.7%.

During the year under review, led by better profitability and efficient working capital management, ROCE has improved to 6.9% in FY 2018 as compared to 5.5% in FY 2017.

During the year under review, promoters have infused ₹226.3 million in the Company as interest free loan. This has resulted in further strengthening of balance sheet of the Company.

Human Capital

The Company believes that human resources are the most critical element responsible for a sustained growth. The Company strives towards attracting, retaining, and developing the best talent required for the business to grow. The employees are regularly provided with training and development programmes to enhance their skills and focus on career progression. We nurture a work culture that leads to employee satisfaction, unflagging motivation, and high retention rate.

Our human resource and industrial relation policies ensure working together with the employees for their personal and professional development and at the same time aligning their goals with that of the Company to create a win-win situation. Our focus on ensuring transparent, safe, healthy, progressive and engaging work environment is aimed at creating leaders of the future. Employees have a sense of belongingness and feel empowered in driving business profitability. In the endeavor to promote on the job knowledge and training, the Company has entered into an agreement with Maruti Centre for Excellence (MACE) for Industrial, behavioural and safety related Trainings.

Environment, Health and Safety (EHS)

Environment, Health and Safety (EHS) is an integral part of our business and are scrupulously adhered to at all of the Company's processes at all time. As a part of sustainable growth, Company is

continually doing several initiatives; some of them are listed below:

- CO_2 Flooded system installed at high risk Electric Panel and chemical area
- Daily/Weekly/Monthly/Quarterly Safety audits
- Disaster Management Organization
- Fire Control Room with Auto Zone wise Fire Control Panel
- Work Permit Issue system for Heavy duty machines operator
- Accident Monitoring Management
- Management review system for EHS activities

The main goal behind all the initiatives is to promote safer, healthier and greener work environment by adopting efficient technologies.

Quality

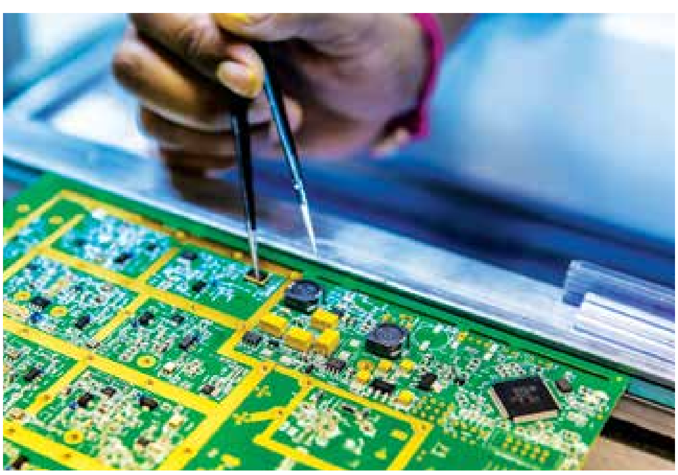
The Company's quality control processes and systems are committed to manufacture superior quality products for un-parallel customer satisfaction. In order to achieve this, the Company focuses on training and latest technologies. Some of the initiatives towards quality controls are:

- System audit on quarterly basis
- Manufacturing audit on monthly basis
- Product audit on quarterly basis for each and every product
- Customer Audit as per standard customer requirements
- Supplier development program using monthly grading system

Internal Control System

Company has a resilient and strong internal control systems for financial reporting. Given the size and complexity of business operations, the well formulated control framework covers various aspects of governance, compliance, audit, control and reporting. Stringent procedures ensure high accuracy in recording and providing reliable financial & operational information, meeting statutory compliances.

Internal controls are reviewed periodically by the internal auditors, and are subject to management reviews. The Audit Committee actively reviews the adequacy and effectiveness of internal control systems and suggests improvements for strengthening them in accordance with the changes in the business dynamics, if required.



Risk and Mitigation

- Risk due to Dependency on Few Customers: Few of the Company's clients provide significant contribution in the revenues, any disruption in business from these clients could adversely affect the revenues of the Company.
- Mitigation Measures: In the past few years, the Company has diversified both in terms of products and services to enhance the client list and diversify the sector exposure.
- Risk due to Changing consumer demand and behaviour: As Company's products and services are used by end consumers, any change in their preferences, behaviour or usage pattern could adversely impact the growth prospects of the Company.
- Mitigation Measures: The Company always endeavours to stay updated on changing market dynamics and technological advancements. This ensures that Company's products and services always remain ahead in the industry's learning curve.
- Risk due to possible changes in clients' business model: The Company's primarily clients are OEM players, who outsource some of the products manufacturing or process to the Company to reduce their costs and achieve scale. In case of any change in their location of business or change in business model, the Company's business model also would be impacted accordingly.

- Mitigation Measures: The Company's marketing team always stay in touch with clients to understand their requirements and business activities. The Company keeps itself updated with clients' business plans and accordingly realigns its capex and opex plans.
- Operational Risk: In order to remain competitive it is important for the Company to ensure high operational efficiency.
- Mitigation Measures: The Company's internal control systems are designed keeping in mind the size and nature of business complexity. The management team closely supervises internal processes and ensures optimisation in various aspects like energy conservation, technology absorption and capital efficiencies.

Cautionary Statement

Statements in this document/discussion relating to future status, events, or circumstances, including but not limited to statements describing the Company's objectives, projections, estimates and expectations maybe 'forward looking statements' within the meaning of applicable laws and regulations. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those either expressed or implied in the statements. Important factors that could make a difference to your Company's operations include economic conditions affecting demand/supply and price conditions in the market in which the company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

CORPORATE INFORMATION

PG Electroplast Limited

(CIN: L32109DL2003PLC119416)

Registered Office:	Corporate Office:
DTJ209, 2nd Floor, DLF Tower-B, Jasola, New Delhi-110025 Email: investors@pgel.in / info@pgel.in Tel-Fax No.: 91-011-41421439	P-4/2 to 4/6, Site B, UPSIDC Industrial Area, Surajpur, Greater Noida, Dist. Gautam Budh Nagar U.P.-201306 Website: www.pgel.in Telephone No.: 91-120-2569323 Fax No.: 91-120-2569131

Board of Directors:

Name	DIN	Designation
Mr. Promod Gupta	00181800	Managing Director
Mr. Anurag Gupta	00184361	Chairman-Whole Time Director
Mr. Vikas Gupta	00182241	Whole Time Director
Mr. Vishal Gupta	00184809	Whole Time Director
Mr. Devendra Jha	03076528	Independent Director
Mr. Sharad Jain	06423452	Independent Director
Mr. Ayodhya Prasad Anand	06808974	Independent Director
Dr. Rita Mohanty	07081546	Independent Director

Management Team:

Name	Designation
Mr. Bhawa Nand Choudhary	Chief Operational Officer
Mr. Mahabir Prasad Gupta	Chief Financial Officer
Mr. Sanchay Dubey	Company Secretary

Statutory Auditors:

M/s Chitresh Gupta & Associates
Chartered Accountants
U-119A, Shakarpur, New Delhi-110092,

Bankers:

State Bank of India
HDFC Bank

Registrars & Share Transfer Agent:

Karvy Computershare Pvt. Ltd.,
Karvy Selenium Tower B, Plot 31-32,
Gachibowli Financial District,
Nanakramguda, Hyderabad – 500032
Email: einward.ris@karvy.com

DIRECTORS' REPORT

DEAR MEMBERS,

The Board of Directors have pleasure in presenting the 16th Annual Report on business & operations of the Company and Audited Financial Statements, for the financial year ended 31st March, 2018.

1. RESULTS ON OPERATIONS:

(₹ in Lakh except EPS)

Particulars	FY 2017-18	FY 2016-17
Revenue from operations	39,942.07	36,635.00
Other income	531.05	313.45
Profit after Tax	748.50	336.18
Other Comprehensive Income	20.64	18.67
EPS	4.69	2.16

Your company has adopted Indian Accounting Standards ("IND-AS") with effect from 1st April 2017 with a transition date of 1st April 2016. The financial statements for the year ended 31st March 2018 has been prepared in accordance with IND-AS & the financial statements for the year ended 31st March 2017 has been restated to comply with IND-AS to make them comparable.

2. PERFORMANCE OVERVIEW:

During the year under review, your company's revenue grew by 9.03%, primarily due to increase in sales. The profit after tax for the financial year was Rs748.50 lakh as against Rs 336.18 lakh in the previous year which increased by 122.65%. Earnings per share of the Company also increased by more than double from EPS of previous financial year.

As required under regulation 34 of SEBI (Listing Obligation & Disclosure Requirements) regulations 2015, the Managements Discussion & Analysis Report, containing more details on state of Company Affairs, is attached & forms part of this Annual Report.

3. PROJECTS & EXPANSION PLAN:

During the year, the Company has incurred Rs 6,623.40 Lakhs on capital expenditure. The Company has installed several new injection moulding machines in its factories and increased covered area of existing factories by constructing new buildings/floors The Company added new capacity of PU paint shop, started UF thermoset moulding seat facility. Tool Room facility for making moulds has been further ramped up during the year and company commercially launched Washing machine under ODM model.

4. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Biographical details of members of the Board as at the date of this report are set out on pages 18 to 19. There has been no change in composition of Board of Directors during the year.

In accordance with the provisions of the Companies Act 2013, Mr. Vishal Gupta, Director of the Company will retire by rotation at the ensuing AGM and being eligible, offer himself for re-appointment.

None of the Directors have incurred any disqualification on account of non-compliance with any of the provisions of the Act. During the year, non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees for the purpose of attending meetings of the Company.

DECLARATION GIVEN BY INDEPENDENT DIRECTORS

The Company has received declarations from each of the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and there has been no change in the circumstances which may affect their status as independent director during the year. The independent directors have also confirmed that they have complied with the Company's code of conduct.

MEETINGS OF BOARD OF DIRECTORS & ITS COMMITTEES

Five meetings of the Board of Directors were held during the period under review. For details of Composition & Meetings of the Board and its Committees, please refer to the Report on Corporate Governance, which forms part of this Report as Annexure I.

CHANGE IN KMPs.

Mr. K. A. Khandelwal, CFO (designated as KMP) has resigned w.e.f. 04/11/2017.

5. DIVIDEND:

The Board of Directors have not recommended any dividend.

6. BOARD EVALUATION AND FAMILIARIZATION PROGRAMME:

The Board has carried out a formal annual evaluation of performance of the Board itself, its Committees and individual Directors pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The evaluation of individual Directors including chairman was done by the Directors other than the one being evaluated by Board & Nomination Remuneration Committee. For evaluation of Board itself & its Committee, the Board followed internal evaluation methodology, which was based on criteria be set by the Nomination and Remuneration Committee.

Further, the Independent Directors also, at their separate meeting assessed the quality, quantity and timeliness of flow of information between the company management and the Board.

The details of program for familiarization of Independent Directors of your Company are available at webpage http://www.pgel.in/investor.aspx.

7. CORPORATE GOVERNANCE REPORT & MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Corporate Governance Report and Management Discussion & Analysis Report as stipulated under SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 which forms integral part of this report, are presented as 'Annexure I' & on page no. 20 to 27 respectively. Compliance certificate on corporate Governance, issued by M/s RSJ Associates, Practicing Company Secretary also form a part of the said Corporate Governance Report.

8. POLICY ON DIRECTORS' APPOINTMENT & REMUNERATION:

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy on appointment & remuneration of Directors and Senior Management Employees. This policy is attached as 'Annexure II' to this report.

9. DIRECTORS RESPONSIBILITY STATEMENT:

The Board of Directors, to the best of their knowledge and belief, confirm that:

a) in the preparation of the annual accounts of Financial Year 2017-18, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) They had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

c) They had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) They had prepared the annual accounts on a going concern basis; and

e) They had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

f) They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

10. RISK MANAGEMENT & INTERNAL CONTROL SYSTEMS:

The Company has developed & implemented a Risk Management framework for identification, evaluating and management of risks, including the risks which may threaten the existence of the Company. In line with your Company's commitment to deliver sustainable value, this framework aims to provide an integrated and organized approach for evaluating and managing risks. Regular exercise has been carried out to identify, evaluate, manage and monitor the risks.

Your Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. The Company has in place adequate controls, procedures and policies, ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information. The internal controls cover operations, financial reporting, compliance with applicable laws and regulations, safeguarding assets from unauthorized use and ensure compliance of corporate policies. Internal controls are reviewed periodically by the internal auditors and are subject to management reviews with significant audit observations and follow up actions reported to the Audit Committee. The Audit Committee actively reviews the adequacy and effectiveness of internal control systems and suggests improvements for strengthening them in accordance with the changes in the business dynamics, if required.

11. STATUTORY AUDITORS & THEIR REPORT:

During the reporting period, M/s Chitresh Gupta & Associates has been re-appointed as Statutory Auditors of the Company to hold office from 15th AGM to 19th AGM, which shall be held in year 2021. The Statutory Auditor's Report on Financial Statements, for the year ended on 31st March 2018, does not contain any qualification, reservation, adverse remarks, disclaimer or observations. The report is self-explanatory and do not call for any further clarifications.

12. SECRETARIAL AUDIT & THEIR REPORT:

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s RSJ Associates, Practicing Company Secretary, for conducting secretarial audit of Company for the financial year 2017-18. Their report is annexed with Board Report as 'Annexure III'. The Secretarial auditor's report does not contain any qualification, reservation, adverse remarks, disclaimer or observations except following:

The Auditors mentioned about Order dated 02.08.2017, passed by the Adjudicating Officer of Securities & Exchange Board of India, please refer para 22 of this report for more explanations.

They have also written about requirements of registration under E-Waste (Management) Rules and Plastic Waste (Management and Handling) Rules. The Company has applied for registration as manufacturer (not being producers or brand owner as defined in the said rule) under E-Waste (Management) Rules and the registration has not yet been received by the Company during the financial year ended on 31st March 2018.

Other parts of this report are self-explanatory and do not call for any further clarifications.

13. COST AUDITORS:

The Board of Directors have re-appointed M/s Amit Singhal & Associates, Cost Accountants, having Firm Registration Number-101073, as Cost Auditors to audit the cost records of the financial year 2018-19 and recommends ratification of their remuneration by the shareholders at the ensuing annual general meeting. Cost Audit Report for FY 2017-18 will be filed with Ministry of Corporate affairs

14. CORPORATE SOCIAL RESPONSIBILITY (CSR):

During the preceding financial year 2016-17, the Company did not match the criteria of net worth or turnover or net profit for applicability of CSR, provided under Section 135 of the Companies Act 2013 & rules made there under. Thus, the Company was not required to constitute a CSR committee during financial year 2017-18. However, the Company is committed to act in a socially responsible, ethical and environment friendly manner and serve the society at large.

Net profit of the Company for the financial year 2017-18 was Rs 7.48 Crores. Thus, the Company has constituted CSR committee in ongoing financial year & will take CSR initiatives during the ongoing financial year.

15. VIGIL MECHANISM:

The Company has established a Vigil Mechanism / Whistle Blower Policy for dealing with instances of fraud & mismanagements. All Employees of the Company and various stakeholders of the company can make Protected Disclosures in writing or through mail in relation to matters concerning the Company/unethical behavior/ actual or suspected fraud/ violation of codes & policies of the Company.

Your Company hereby confirm that no directors/employee have been denied access to the chairman of the Audit Committee. There was no complain received through the said mechanism during the financial year 2017-18.

The Vigil Mechanism or whistle blower policy may be accessed at web-link http://www.pgel.in/PDF/VigilMechanismWhistleBlowerPolicy.pdf.

16. PARTICULARS OF CONTRACTS OR ARRANGEMENT MADE WITH RELATED PARTIES:

During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with SEBI (Listing Obligation & Disclosure Requirements) Regulations 2015 & policy of the Company.

All related party transactions entered by your Company, during the year under review, were approved by the Audit Committee. Prior omnibus approval has been obtained for related party transactions which are repetitive in nature and/or entered in ordinary course of business and at arm's length. There are no materially significant related party transactions that may have potential conflict with interest of the Company at large.

To fuel future growth, promoters have further infused Rs 22.63 Crores in the Company as an interest free loan during the year, after approval of Audit Committee & the Board of Directors. For more detail refer Note No. 35 of 'Notes to Financial Statements'.

The policy on materiality of Related Party Transactions and policy on dealing with Related Party Transactions are available at web-link http://www.pgel.in/PDF/RelatedPartyTransactionsPolicy.pdf.

The particulars of contract or arrangements entered by the Company with related parties referred to in section 134 of the Companies Act are disclosed in form AOC-2 as 'Annexure IV'.

17. SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANY:

Your Company does not have any subsidiary, joint venture or associate Company. During the year under review, no company became or ceased to be subsidiary of the Company.

18. PARTICULARS OF LOAN GIVEN, INVESTMENTS MADE, GUARANTEE GIVEN, AND SECURITIES PROVIDED UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

During the financial year 2017-18, the Company has not given any loan or guarantee, has not made any investment & provided any securities under section 186 of the Companies Act, 2013.

19. EXTRACT OF ANNUAL RETURN:

The Extract of Annual Return in prescribed form MGT-9 is enclosed as 'Annexure – V'. Annual Return is also available on weblink http://www.pgel.in/PDF/Annual_Return_2017-18.pdf

20. PARTICULARS OF EMPLOYEES:

The disclosure pertaining to remuneration and other details of directors and employees as required under section 197(12) of the Companies Act 2013 read with Rule 5 of the Companies (Appointment and remuneration of Managerial Personal) Rules, 2014 and the amendment thereof have been provided in the 'Annexure VI' forming part of this report.

21. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING & OUTGO:

(A) Conservation of Energy:

Conservation of energy is key focus area in operations and in our endeavour to conserve energy, the Company continuously makes efforts to optimize use of fuels, power & water. The following steps has been taken for conservation of energy:

a) The Company purchased several Injection Moulding Machines that use Servo-Hybrid Technologies which use 60% less power than older Injection Moulding Machines.

b) Shop floors which run manufacturing process have been transitioned to LED highbay lights which have further reduced the energy costs by about 60%.

c) The Company is also maintaining a power factor of about close to 1.

d) A turbo ventilation system has been installed on all roofs which has reduced the use of exhaust fans.

e) The Company has installed variable frequency drivers in all electric motors which have helped sustain a lower power factor.

f) Using invertor technology to control the speed of the compressor's motor in the AC plant better temperature regulation has been achieved and has hence reduced energy consumption.

g) All street lights & main machine flow highbay lights have been substituted for greener LED alternatives.

h) The Company continuously evaluate new technologies and techniques to make infrastructure more energy efficient.

(B) Technology absorption:

In striving for continuous excellence in technology and best quality product, several initiatives have been taken:

a) With technology from Hoti (Xiamen) Plumbing Inc, the company has added a PU paint shop and a UF thermoset moulding seat facility, giving it new manufacturing capabilities.

b) The bigger moulding machines on the shop floor have been fitted with an automatic conveyor line, thereby reducing production cost while enhancing product quality.

c) Additional PCB & SMT assembly-cum-automation machines have been purchased thereby increasing production capacity.

d) New Blow Moulding Equipment has also been installed.

e) Injection moulding machines with servo drive technology have been added to the facilities.

f) Industrial robots are being installed on injection moulding machines which will reduce manpower cost.

These initiatives will help the Company to manufacture cheaper and more durable products.

The expenditure incurred on Research and Development is Rs 14.31 Lakhs.

(C) Foreign exchange earnings and Outgo:

(₹ in Lakh)

Particulars	2017-18	2016-17
Foreign Exchange Earnings	4.50	4.16
Foreign Exchange Outgo	1801.26	2489.18

22. SIGNIFICANT & MATERIAL REGULATORY ORDERS:

An adjudication order dated August 2, 2017 has been passed by Adjudicating officer (AO) of SEBI in the matter of alleged irregularities in Initial Public Offer of the Company in the period August 2011 to September 2011 for issue of 57,45,000 equity shares of face value Rs 10/- each through 100% book building process.

In this matter a show cause Notice dated September 11, 2013 was issued under rule 4 of SEBI (Procedure for holding inquiry and imposing penalties by Adjudicating Officer) Rules 1995 read with section 15I(2) of SEBI Act 1992. SEBI initiated adjudication proceedings under the Act to inquire into and adjudge the alleged violations of certain provisions/Section/regulation of the SEBI Act, 1992; SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulation, 2003 (PFUTP Regulations); SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (ICDR Regulations) by the Company and its directors namely, Mr. Promod Gupta, Mr. Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta.

Now, vide order dated August 2, 2017 Adjudicating officer of SEBI has imposed monetary penalties of Rupees One Crore on the Company and Rupees One Crore on each of four directors (mentioned in above paragraph) for the violation of ICDR Regulations. AO has also imposed penalty on 26 entities for violation of the provisions of Section 11C(2) and (3) of the SEBI Act, 1992, they are not related to PG Electroplast Limited. As regards the violation of the provisions of PFUTP Regulations by the Company and its directors, AO find that the Hon'ble SAT (Order dated August 30, 2016) has not found any merit in the said allegations. The Company has filed appeal before SAT against said adjudication order.

23. MATERIAL CHANGE & COMMITMENT OCCURRED BETWEEN END OF FINANCIAL YEAR & THE DATE OF REPORT:

There is no material change and commitment occurred between 31st March 2018 and date of this report, which may affect financial position of the Company.

24. COMPLIANCE OF APPLICABLE SECRETARIAL STANDARD:

During the reporting period, your company has duly complied with all applicable secretarial standards.

25. OTHER DISCLOSURE:

The Board of Directors states that there is nothing to report in relation to following subjects/topic, because nothing has happened in matter of such subjects.

a) Details related to deposits covered under chapter V of the Companies Act 2013,

b) Details of frauds reported by the Auditors under section 143(12) other than those which are reportable to central government,

c) Issue/redemption of any kind of share or debenture,

d) Amount transferred to Reserve,

e) Complaints received under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) act, 2013

f) Disclosures with respect to demat suspense account/ unclaimed suspense account

g) Amount required to be transferred to Investor Education and Protection Fund (IEPF), as Company did not have any funds lying unpaid or unclaimed for a period of seven years.

ACKNOWLEDGMENT

The Directors express their sincere appreciation for the invaluable contribution made by the Company's employees which made it possible for the Company to achieve its goals. They would like to appreciate their valued shareholders, bankers and customers, suppliers, business associates and government authorities for their continuous support & assistance.

For and on Behalf of Board of Directors of
PG Electroplast Limited

Date: 11/08/2018
Place: Greater Noida

(Mr. Anurag Gupta)	**(Mr. Vishal Gupta)**
Chairman	Executive Director
DIN: 00184361	DIN: 00184809
B-15, Kalindi Colony	B-15, Kalindi Colony
Delhi-110065	Delhi-110065

Annexure I

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2017-18

[Pursuant to regulation 34(3) and Schedule V(C) of the SEBI (Listing Obligation and Disclosure Obligations Requirements) Regulation 2015]

1) COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company believes that creation of a climate which emphasizes good governance principles and deployment of a good corporate governance culture are keys for sustainable development. Key aspect of the Company's corporate governance philosophy includes continuous strives to attain higher levels of consistency of the policies of the Company, accountability of managers and the Board of Directors, transparency of corporate structures and operations, corporate responsibility towards stakeholders and Open and honest manner in which the Company run.

Judgement or decisions of the boards are regulated by Corporate Governance principle to ensure that there is sufficient disclosure about the decision-making processes and performance of the boards to enable the stakeholders to make proper judgments, particularly with respect to how the board members fulfill their duty of loyalty and duty of care in providing guidance and oversight to the management.

Our business culture and practices are founded upon a common set of values that govern our relationships with customers, employees, stakeholders, suppliers and the communities in which we operate.

Your Company confirms compliance to the Corporate Governance requirements as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as 'Listing Regulations'], the details of which for the Financial Year ended March 31, 2018 is as set out hereunder:

2) BOARD OF DIRECTORS:

Composition & Category of Director, their attendance in Board Meetings/last AGM and Number of other Board/committees in which he/she is a member:

As on 31st March 2018, the Board of Directors comprises of eight (8) Directors – Four (4) Promoter Executive Director and four (4) Non-Executive Independent Directors including one women Director. The Chairman is an Executive Director and a promoter of the Company. There are three whole time promoter Directors in the Company. During the period under review, no change was occurred in the Composition of the Board.

There were five (5) Board meeting held during the Financial 2017-18 on following dates:

(1) 15th May, 2017 (2) 26th August, 2017 (3) 14th September, 2017 (4) 11th December, 2017 and (5) 14th February, 2018.

Following Table sets forth detailed information on the composition & category of directors, their attendance record, number of other Board of Directors or composition in which a director is member or chairperson:

Category	Name & Position	No. of Board Meeting attended	Attendance at the last AGM	No. of directorship in other Company		Membership in committees other Company	No. of Committee Chairmanship in other Company	No of shares held by Non-Executive Directors
				Public Company	Private Company			
Promoter, Executive	Mr. Promod Gupta	5	Yes	0	2	0	0	NA
	Mr. Anurag Gupta	5	Yes	1	3	0	0	NA
	Mr. Vikas Gupta	5	Yes	2	3	0	0	NA
	Mr. Vishal Gupta	5	Yes	0	4	0	0	NA
Independent Non-Executive	Mr.Devendra Jha	4	Yes	0	1	0	0	0
	Mr. Sharad Jain	5	Yes	0	0	0	0	0
	Mr. Ayodhya Prasad Anand	5	Yes	0	0	0	0	0
	Dr. Rita Mohanty	5	Yes	0	0	0	0	0

The Company has received annual declarations from all the Independent Directors confirming that they meet the criteria of independence as specified under Section 149(6) of the Companies Act, 2013 and they are qualified to act as Independent Directors under regulation 16(1)(b) of SEBI (LODR) Regulations 2015.

Disclosure of relationship: Except Mr. Promod Gupta, Mr. Anurag Gupta, Mr. Vikas Gupta and Mr. Vishal Gupta, who are related to each other as family members, no other Directors are related to each other.

Web link of familiarization program: The details of model of familiarization program are available on link http://www.pgel.in/PDF/FamiliarisationProgramforIndependentDirectors.pdf.

3) AUDIT COMMITTEE:

Brief term of reference: Term of reference of Audit Committee includes powers to investigate any activity within its terms of reference, to obtain outside legal or other professional advice etc. The role of the Audit Committee includes Oversight of the company's financial reporting process and the disclosure of its financial information; Recommendation for appointment, remuneration and terms of appointment of auditors of the company; Examining/Reviewing with the management the annual financial statements and auditor's report thereon before submission to the board for approval; Reviewing with the management the quarterly financial statements before submission to the board for approval; Reviewing with the management, the statement of uses / application of funds raised through an issue; Approval or any subsequent modification of transactions of the company with related parties; Reviewing the adequacy of internal audit/control function, Discussion with internal auditors of any significant findings; Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern; and to **mandatorily review the following information:**

a. Management discussion and analysis of financial condition and results of operations;

b. Statement of significant related party transactions submitted by management;

c. Management letters / letters of internal control weaknesses issued by the statutory auditors;

d. Internal audit reports relating to internal control weaknesses; and

e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee

Composition of Audit Committee, details of Meeting & attendance of Directors:

During the year 2017-18, five (5) meetings of the Audit Committee took place on following date: -

(1) 15th May, 2017 (2) 26th August, 2017 (3) 14th September, 2017 (4) 11th December, 2017 and (5) 14th February, 2018.

The composition of the Audit Committee and the attendance of the members at the meetings held during the year are as under:

Name of Members	Status in Committee	Category	No. of Meeting Attended
Mr. Sharad Jain	Chairman	Non-Executive Independent Director	5
Mr. Devendra Jha	Member	Non-Executive Independent Director	4
Mr. Ayodhya Prasad Anand	Member	Non-Executive Independent Director	5
Mr. Vishal Gupta	Member	Executive Director	5

The Company Secretary acts as the Secretary to the Committee.

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 26th September, 2017.

During the year 2017-18, all recommendations made by Audit Committee were accepted by the Board.

4) NOMINATION AND REMUNERATION COMMITTEE

The terms of reference of the Remuneration Committee include formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees; Formulation of criteria for evaluation of Independent Directors and the Board; Devising a policy on Board diversity & Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The composition of the Committee meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. As on 31st March, 2018, Committee comprised of three Non-Executive Independent Directors and Chairman of the Company. The Company Secretary acts as a secretary to the Committee.

The composition of the Nomination & Remuneration Committee as at 31st March, 2018 and attendance of each member at the Committee Meetings are as given below:

Name of Director	Category	Status in Committee	Attendance in Meeting
Mr. Devendra Jha	Independent Director	Chairman	0
Mr. Ayodhya Prasad Anand	Independent Director	Member	1
Dr. Rita Mohanty	Independent Director	Member	1
Mr. Promod Gupta*	Chairman of Company	Member	1

*Note: Now with effect from 25/05/2018, Mr. Promod Gupta ceased to be chairman of Company. Existing three Non-Executive Independent Directors continue to be members of the Committee.

One meeting of the Committee took place during the year on 14th February 2018. Mr. Ayodhya Prasad Anand was chairman of that meeting.

Performance evaluation criteria for Independent Directors:

The Non-Executive Directors are evaluated on the basis of the following criteria: Whether they-

a) act objectively and constructively while exercising their duties;
b) exercise their responsibilities in a bona fide manner in the interest of the company;
c) devote sufficient time and attention to their professional obligations for informed and balanced decision making;
d) do not abuse their position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
e) refrain from any action that would lead to loss of his independence;
f) inform the Board immediately when they lose their independence;
g) assist the company in implementing the best corporate governance practices;
h) strive to attend all meetings of the Board of Directors and the Committees;
i) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
j) strive to attend the general meetings of the company;
k) keep themselves well informed about the company and the external environment in which it operates;
l) do not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
m) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest;
n) abide by Company's Memorandum and Articles of Association, company's policies and procedures including code of conduct, insider trading guidelines etc.

5. REMUNERATION TO DIRECTORS

During the year, non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees for the purpose of attending meetings of the Company.

Non-executive Directors are paid only for sitting fees for attending meetings of the Company. The sitting fees are decided by the Board of Directors from time to time.

Detail of remuneration/sitting fees paid to Directors for the Financial Year ended 31st March 2018 has been provided in following tables:

a. Remuneration to Chairman-cum-Managing Director and Whole-Time Directors: (Rs/Lakh)

Name of the Directors	Salary and Perquisites	Bonus/Commission/ Stock Option/ Performance Linked Incentive	Total
Mr. Promod Gupta	72.66	Nil	72.66
Mr. Anurag Gupta	72.66	Nil	72.66
Mr. Vishal Gupta	72.66	Nil	72.66
Mr. Vikas Gupta	72.66	Nil	72.66
Total	**290.64**	**Nil**	**290.64**

b. Remuneration to Non-Executive Directors (₹/lakhs)*

Name of the Directors	Mr. Sharad Jain	Mr. Devendra Jha	Mr. Ayodhya Prasad Anand	Dr. Rita Mohanty	Total Sitting Fees
Sitting Fees	2.0	1.20	1.70	1.20	6.10
Other	0	0	0	0	0

**Non-Executives Directors are paid only setting fees.*

6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

Companies' Stakeholders Relationship Committee comprises of three members.

a. Mr. Sharad Jain (Chairman, Non-Executive Independent Director),

b. Mr. Promod Gupta and

c. Mr. Vishal Gupta.

Status of Investors' Complaints received/resolved is as follows:

Pending at the Beginning of the Year	Total Received & Redressed	Pending at the End of the Year
0	1	0

Name and Designation of Compliance Officer during Financial year 2017-18: Mr. Rahul Kumar, Company Secretary (He has resigned w.e.f 16th April, 2018.)

After his resignation, Mr. Sanchay Dubey, Company Secretary, has been appointed as Compliance Officer.

Mailing Address: PG Elelctroplast Limited, P-4/2 to4/6, Site B, UPSIDC Industrial Area, Surajpur, Greater Noida, PIN-201306

Dedicated e-mail ID to redress investor grievances: investors@pgel.in

6A. OTHER COMMITTEES OF BOARD:

The Board of the Company has two more Committees, namely IPO Committee and Executive Committee. Both these Committee comprised of four members - Mr. Promod Gupta, Mr. Anurag Gupta, Mr. Vishal Gupta, and Mr. Vikas Gupta

Board has delegated certain powers to Executive Committee, as per provisions of the Companies Act, 2013 to exercise such power of Board, as and when required, between periods of two Board Meetings. All matters transacted in the meeting of Executive Committee during the year were ratified by the Board of Directors in their first meeting held after meeting of executive Committee.

7. GENERAL BODY MEETINGS

(i) Location & time of last Three Annual General Meetings:

Annual General Meeting	Date and Time	Location	Special Resolution
15th Annual General Meeting	26.09.2017 at 11:30 A.M.	Auditorium, Ghalib Institute, Aiwan-E-Ghalib Marg, New Delhi-110002	Nil
14th Annual General Meeting	21.09.2016 at 11:00 A.M.	Auditorium, New Delhi YMCA Tourist Hostel, Jai Singh Road, New Delhi-110 001	Four
13th Annual General Meeting	26.09.2015 at 11:00 A.M.	Auditorium, New Delhi YMCA Tourist Hostel, Jai Singh Road, New Delhi-110 001	Nil

Brief description of Special Resolutions passed in last three AGMs:

15th Annual General Meeting: NIL

14th Annual General Meeting:

1. Re-appointment and remuneration to Sh. Promod Gupta as Managing Director of the Company.
2. Re-appointment and remuneration to Sh. Anurag Gupta as Whole Time Director of the Company.
3. Re-appointment and remuneration to Sh. Vikas Gupta as Whole Time Director of the Company.
4. Re-appointment and remuneration to Sh. Vishal Gupta as Whole Time Director of the Company.

13th Annual General Meeting: NIL

(ii) Special Resolution passed through Postal Ballot: No special resolution was passed during last year through postal ballot.

(iii) Special Resolution proposed to be conducted through postal ballot: No such resolution is proposed to be conducted through postal ballot.

8. MEANS OF COMMUNICATION

(i) Quarterly results:

The quarterly results of the Company are announced within 45 days of completion of each quarter & within 60 days of completion of March Quarter. The said information was sent to the concerned stock exchanges- BSE & NSE immediately after approval from the Board and published on the Website of the Company, Newspapers, and Website of Stock Exchanges-BSE & NSE.

(ii) Newspapers wherein results normally published:

All Quarterly Results of the Company are normally published in 'Financial Express' and 'Jansatta'.

(iii) Website, where results are displayed:

Results are displayed on the Company's website www.pgel.in shortly after its submission to Stock Exchanges.

(iv) News Releases and Presentations to Institutional Investors/Analysts:

The Company upload all official news releases and the presentations made by the Company to analysts and institutional investors, on website of Stock Exchange as well as on its website www.pgel.in.

9. GENERAL SHAREHOLDERS INFORMATION:

a) AGM: Date, time & Venue: Saturday, 29th September 2018, 10.30 AM. at Auditorium, Asia Pacific Institute of Management, No. 3 & 4 Institutional Area, Jasola, Opp. Sarita Vihar, New Delhi - 110025

b) Financial Year: April 01 to March 31

c) Dividend payment date: Dividend has not been declared by the Board during the year.

d) Name & Address of Stock Exchange: Equity shares are listed on BSE & NSE.

BSE Limited **Phiroze Jeejeebhoy Tower** **Dalal Street** **Mumbai- 400001**	**National Stock Exchange of India Ltd.,** **Exchange Plaza, C-1, Block G,** **Bandra Kurla Complex,** **Bandra (E), Mumbai – 400 051**
Board of Directors does hereby confirm that the Listing fees for the financial year 2017-18 & 2018-19 have been paid.	

e) Stock Code: ISIN No. INE457L01011

Scrip Code in BSE	533581
Scrip Symbol in NSE	PGEL

f) Market Price Data: Monthly High & Low of Stock Prices (in ₹/share) of the Company in BSE & NSE during each month in financial year Ended 31st March, 2018 are as under:

	NSE		**BSE**	
Month	High Price	Low Price	High Price	Low Price
Apr-17	200.00	174.00	200.00	175.00
May-17	208.50	171.15	208.90	172.50
Jun-17	293.00	194.25	292.00	194.50
Jul-17	355.95	260.10	356.70	259.45
Aug-17	352.90	290.45	353.00	289.85
Sep-17	412.30	299.00	409.90	298.15
Oct-17	440.75	373.30	444.40	325.00
Nov-17	449.80	324.80	450.45	326.90
Dec-17	431.00	365.00	432.00	379.00
Jan-18	457.90	391.40	460.00	391.00
Feb-18	407.15	270.05	406.30	285.00
Mar-18	342.00	222.00	333.00	222.00

g) Performance in comparison to broad based indices:

Month	S&P BSE Small Cap Closing	PGEL Share Closing	% change in closing value of S&P BSE Small Cap Index w.r.t. previous month	% change in closing value of PGEL share w.r.t. previous month
Apr-17	15372.51	185.6	6.50	0.95
May-17	15080.21	200.00	-1.90	7.76
Jun-17	15410.52	287.8	2.19	43.90
Jul-17	16093.56	345.9	4.43	20.19
Aug-17	15991.63	320.65	-0.63	-7.30
Sep-17	16113.68	389.4	0.76	21.44
Oct-17	17600.49	438.15	9.23	12.52
Nov-17	18228.87	399.9	3.57	-8.73
Dec-17	19230.72	423.7	5.50	5.95
Jan-18	18716.77	407.4	-2.67	-3.85
Feb-18	18127.93	311.65	-3.15	-23.50
Mar-18	16994.36	315.9	-6.25	1.36

h) Registrar & Share Transfer Agent:

KARVY COMPUTERSHARE PRIVATE LIMITED
Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda,
Hyderabad - 500 032; Tel:-040 - 6716 1562; Email:- einward.ris@karvy.com

i) Share Transfer System:

Entire physical share transfer activities are carried out by M/s Karvy Computershare Private Limited, Registrar and Transfer Agents of the Company. Applications for transfer of shares held in physical form are received at the office of the Registrar and Share Transfer Agents of the Company. Share transfers are approved by Authorized persons as authorized/empowered in the meeting of Stakeholders Relationship Committee and all valid transfers are processed within 15 days from the date of receipt. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities and files a copy of the said certificate with the Stock Exchanges.

j) Distribution of shareholding as on 31st March 2018:

S. No.	Category	No. of Shareholders	% to holders	No of Shares held	% Shares
1	1 - 5000	2754	86.71	223456	1.36
2	5001 - 10000	161	5.07	126620	0.77
3	10001 - 20000	86	2.71	124604	0.76
4	20001 - 30000	37	1.16	94195	0.57
5	30001 - 40000	16	0.50	56823	0.35
6	40001 - 50000	14	0.44	64196	0.39
7	50001 - 100000	34	1.07	245734	1.50
8	100001 & ABOVE	74	2.33	15478704	94.30
	Total:	**3176**	**100.00**	**16414332**	**100.00**

k) Dematerialization of shares and liquidity:

The Company has arrangements with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for Demat facility. As on 31st March 2018, out of 1,64,14,332 shares of the Company, 51 shares are in physical form. Rests of shares are in dematerialized form.

CONTROL REPORT AS ON 31/03/2018				
S. No.	**Description**	**No of Holders**	**Shares**	**% To Equity**
1	PHYSICAL	5	51	0.00
2	NSDL	1663	13697084	83.45
3	CDSL	1508	2717197	16.55
	Total:	**3176**	**16414332**	**100.00**

l) Outstanding GDR/ADR/Warrants or any Convertible Instruments, conversion dates and likely impact on equity:

Company has not issued any GDR/ADR/Warrants or any Convertible Instruments till date.

m) Commodity price risk or foreign exchange risk and hedging activities:

The Company has not taken any hedging contracts for commodity price risks during the period. Foreign exchange risks for the Company arise from the payment obligations arising from import of raw material/capital goods etc.

n) **Plant Locations:** Company has 5 (Five) Manufacturing Plants:

P-4/2 to 4/6, Site-B, UPSIDC Industrial Area, Surajpur, Greater Noida, District Gautam Budh Nagar, Uttar Pradesh, India, Pin – 201 306	*Khasra No. 268 & 275, 15th Milestone, Roorkee - Dehradun National Highway-73 Vill: Raipur, Pargana: Bhagwanpur, Tehsil - Roorkee, Distt. Haridwar, Uttrakhand, India, Pin – 247 667
E-14 & 15, F-20, Site - B, UPSIDC Industrial Area, Surajpur, Greater Noida, District Gautam Budh Nagar, Uttar Pradesh, India, Pin – 201 306	Plot No. A-20/2 Supa Parner MIDC Industrial Area, City - Supa, Taluka - Parner, District: Ahmednagar Maharastra, India, Pin – 414 301
I-26 & 27, Site C, UPSIDC Industrial Area, Surajpur, Greater Noida, District Gautam Budh Nagar, Uttar Pradesh, India, Pin – 201306	

*Non-operational

o) **Address for correspondence:**
P-4/2 to 4/6, Site-B, UPSIDC Industrial Area, Surajpur, Greater Noida, District Gautam Budh Nagar, Uttar Pradesh, India, Pin – 201 306
Tel No: +91-120-2569323; Fax No: +91-120-2569131

11. Other Disclosures:

i. Disclosures on materially significant related party transactions that may have potential conflict with the interests of company at large:
None of the related party transaction held during the year was materially significant related party transaction as defined in explanation of regulation 23 (1) of Listing Regulations. None of the transactions with any of the related parties were in conflict with the interest of the Company. Suitable disclosures of such transactions have been made in the notes to financial Statements.

ii. Details of non-compliance by the company, penalties, and strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:
SEBI has passed an order on 11.03.2014 in the matter of IPO of the company and has restricted the Company and its promoter directors from raising funds from/dealing in securities market for 10 years w.e.f. 28.12.2011 and directed to take urgent and efficient measure to recover all money recoverable on account of investments in ICDs, contract for purchase of land etc. and the Company has been filing its report on recovery of funds with SEBI regularly. The Company had filed an appeal with honorable Securities Appellate Tribunal (SAT) against this order. SAT has pronounced order on 30.08.2016. Copy of order this is available at SAT website on following link: http://sat.gov.in/english/pdf/E2016_JO2014144.PDF

Further Adjudicating officer of SEBI has also passed an order on 2nd August 2017. Copy of order is available on link https://www.sebi.gov.in/enforcement/orders/aug-2017/adjudication-order-in-respect-of-pg-electroplast-limited-its-directors-and-91-entities-in-the-matter-of-pg-electroplast-limited_35504.html.

iii. Whistle Blower Policy/Vigil Mechanism and affirmation that no personnel has been denied access to the audit committee:
The Company has established a Vigil Mechanism/ Whistle Blower Policy to provide a channel to the employees and Directors to report to the Whistle Officer /Chairman of the Audit Committee about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or legal or regulatory requirements or incorrect or misrepresentation of any financial statements and reports or any irregularities within the Company etc; and to protect employees wishing to raise a concern about any irregularities within the Company.

This Policy intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company and malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees. This policy has been posted on the website of the Company at http://www.pgel.in/PDF/VigilMechanismWhistleBlowerPolicy.pdf.

We, Directors of the Company, affirm that no personnel have been denied access to the Audit Committee.

iv. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause: The Company has complied with mandatory requirements.

v. Web link where policy for determining 'material' subsidiaries is disclosed: http://www.pgel.in/PDF/Policyonmaterialsubsidiary.pdf.

vi. web link where policy on dealing with related party transactions is disclosed: http://www.pgel.in/PDF/RelatedPartyTransactionsPolicy.pdf.

vii. Commodity price risk/hedging: N.A.

12. Non-compliance of any requirement of corporate governance report:

There are no instances of non-compliance of any requirements of corporate governance report as mentioned in sub para (2) to (10) of para C of schedule V.

13. Discretionary requirements of Corporate Governance:

a) Audit Report/Limited review report on every published financial statements of the Company during the year does not contains any modified opinion.

b) The Internal Auditors are authorized to report directly to the Audit Committee.

14. Compliance of corporate governance requirements & Compliance Certificate:

The Company is in full compliance with all the mandatory requirements of Corporate Governance as specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations. The Company has obtained a certificate affirming the compliances of conditions of corporate governance from M/s RSJ Associates, Practicing Company Secretary and the same is appended as an Annexure to this Report.

15. Disclosure with respect to demat suspense account/unclaimed suspense account:

None of the shareholder's shares are lying in the suspense account and hence no disclosure is required under Schedule V of Part F of Listing Regulations, 2015.

16. Declaration Regarding Compliance by Board Members and Senior Management Personnel with the Code of Conduct

This is to confirm that the Company has adopted Code of Conduct for its Board Members including Independent Directors and Senior Management. This Code is posted on the Company's website.

I confirm that the Company has in respect of the financial year ended 31st March, 2018 received from the senior management team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For **PG Electroplast Limited**

Date: 11/08/2018
Place: Greater Noida

(Mr. Anurag Gupta)
Chairman
DIN: 00184361
B-15, Kalindi Colony
Delhi-110065

(Mr. Vishal Gupta)
Executive Director
DIN: 00184809
B-15, Kalindi Colony
Delhi-110065

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To the Members
PG Electroplast Limited
DTJ-209, 2nd Floor, DLF Tower B-Jasola,
Plot 11 Non Hierarchical Commercial Centre,
Jasola New Delhi 110025

We have examined the compliance of conditions of corporate governance by PG Electroplast Limited, for the year ended on 31st March, 2018 as stipulated in:

(i) Regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D & E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations, as applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on use

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose.

For RSJ Associates
Company Secretaries

Akansha Tejpal
Partner
ACS: 38926
C P No.: 14566

Date: 10/08/2018
Place: New Delhi

CEO & CFO Certification: The Managing Director & the Director-Finance have given annual certificate on financial reporting & internal controls to the Board in terms of regulation 17(8) of the Listing Regulations. This certificate is published in this report.

COMPLIANCE CERTIFICATE

(Under Regulation 17(8) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015)

We, Promod Gupta - Managing Director, Vishal Gupta – Whole-Time Director-Finance & Mahabir Prasad Gupta – Chief Financial Officer certify that:

A. We have reviewed financial statements and the cash flow statement for the year 2017-18 and that to the best of their knowledge and belief:

   1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   2. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that We have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and We have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which We are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee:

   1. significant changes in internal control over financial reporting during the year;

   2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   3. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For **PG Electroplast Limited**

Managing Director

For **PG Electroplast Limited**

Whole-Time Director-Finance

For **PG Electroplast Limited**

Chief Financial Officer

Date: 17/05/2018
Place: Greater Noida

Annexure II

EXTRACT OF NOMINATION AND REMUNERATION POLICY

General Appointment Criteria for Directors/KMP/SMP:

Enhancing the competencies of the Board and attracting as well as retaining talented employees for role of KMP/a level below KMP are the basis for the Nomination and Remuneration Committee to select a candidate for appointment to the Board. When recommending a candidate for appointment, the Nomination and Remuneration Committee has regard to:

- assessing the appointee against a range of criteria which includes but not be limited to qualifications
- skills, regional and industry experience, background and other qualities required to operate successfully in the position, with due regard for the benefits from diversifying the Board;
- the extent to which the appointee is likely to contribute to the overall effectiveness of the Board, work constructively with the existing directors and enhance the efficiencies of the Company;
- the skills and experience that the appointee brings to the role of KMP/Senior Official and how an appointee will enhance the skill sets and experience of the Board as a whole;
- the nature of existing positions held by the appointee including directorships or other relationships and the impact they may have on the appointee's ability to exercise independent judgment;
- Personal specifications:
    - Experience of management in a diverse organization;
    - Excellent interpersonal, communication and representational skills;- Demonstrable leadership skills;
    - Commitment to high standards of ethics, personal integrity and probity;
    - Commitment to the promotion of equal opportunities, community cohesion and health and safety in the workplace;
    - Having continuous professional development to refresh knowledge and skills.

Additional Criteria for Appointment of Independent Directors: The Committee shall consider qualifications for Independent Directors as mentioned in herein earlier under the head 'Definitions' and also their appointment shall be governed as per the provisions of clause 49 of the Listing Agreement (as amended from time to time) and Companies Act, 2013.

Removal: Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

Criteria for Evaluation of Directors and the Board: Following are the Criteria for evaluation of performance of Independent Directors and the Board:

1. Executive Directors: The Executive Directors shall be evaluated on the basis of targets / Criteria given to executive Directors by the board from time to time
2. Non-Executive Director: The Non-Executive Directors shall be evaluated on the basis of the following criteria i.e. whether they:
    (a) act objectively and constructively while exercising their duties;
    (b) exercise their responsibilities in a bona fide manner in the interest of the company;
    (c) devote sufficient time and attention to their professional obligations for informed and balanced decision making;
    (d) do not abuse their position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
    (e) refrain from any action that would lead to loss of his independence
    (f) inform the Board immediately when they lose their independence,
    (g) assist the company in implementing the best corporate governance practices.

(h) strive to attend all meetings of the Board of Directors and the Committees;

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

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

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

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

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

(n) abide by Company's Memorandum and Articles of Association, company's policies and procedures including code of conduct, insider trading guidelines etc.

Policy on Board diversity: The Board of Directors shall have the optimum combination of Directors from the different areas / fields like production, Management, Quality Assurance, Finance, Sales and Marketing, Supply chain, Research and Development , Human Resources etc or as may be considered appropriate. The Board shall have at least one Board member who has accounting or related financial management expertise and at least three members who are financially literate.

Remuneration: The guiding principle is that the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, Key Management Personnel and other senior officials. The Directors, Key Management Personnel and other senior official's salary shall be based & determined on the individual person's skills, responsibilities, performance, salary in industry and in accordance with the limits as prescribed statutorily, if any.

The Nominations & Remuneration Committee will recommend the remuneration for Directors, KMPs and Senior Officials of the Company taking into account factors it deems relevant, including but not limited to market, business performance and practices in comparable companies, having due regard to financial and commercial health of the Company as well as prevailing laws and government/other guidelines. The Committee shall consult the Chairman of the Board as it deems appropriate. Remuneration of the Chairman to be recommended by the Committee to the Board of the Company.

The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals. Beside the above criteria Committee shall also consider following points:

1. **Director/ Managing Director:** Remuneration/ compensation/ commission etc to be paid to Director/ Managing Director etc shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

2. **Non-executive Independent Directors:** The Non- Executive Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The Independent Directors shall not be entitled to any stock option.

3. **KMPs / Senior Management Personnel etc:** The Remuneration to be paid to KMPs/ Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and governed by the limits, if any prescribed under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

4. **Directors' and Officers' Insurance:** Where any insurance is taken by the Company on behalf of its Directors, KMPs/ Senior Management Personnel etc. for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

Annexure III

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

For the Financial Year Ended On 31st March, 2018

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

To,
The Members,
PG Electroplast Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by PG Electroplast Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, and subject to our separate letter attached as Annexure – I; We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by PG Electroplast Limited for the financial year ended on 31st March, 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder and the applicable provisions of the Companies Act, 1956;

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

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 55A;

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

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

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

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

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

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

The other laws, as informed and certified by the management of the Company which is specifically applicable to the Company based on their industry are:

1. Water (Prevention and Control of Pollution) Act, 1961
2. Air (Prevention and Control of Pollution) Act, 1974
3. The Environment (Protection) Act, 1986
4. Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
5. E-Waste (Management) Rules, 2016

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with the Stock Exchange/ Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable.

We further report that, there were no events/actions in pursuance of:

(a) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014

(b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

(c) The Securities and Exchange Board of India (Delisting of Equity Shares)cRegulations, 2009.

(d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to following observations:

a. Order has been passed by the Adjudicating Officer of Securities & Exchange Board of India vide order dated 02.08.2017 in the matter of the Company in exercise of the powers conferred under Section 15-I (2) of the SEBI Act read with Rule 5 of the Adjudication Rules disposing the violation alleged under SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations and imposing monetary penalties of Rs. One Crore on the company and Rs. One Crore on each of the four directors of the company for the violation of ICDR Regulations and penalize other 26 entities for violation of the provisions of Section 11C (2) and (3) of the SEBI Act, 1992. The Company has filed an appeal before SAT against the order passed and the matter is pending for hearing.

We further report that during the period under report, the Company has started the PU Paint shop, hence Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 became applicable. As per information and documents provided by the Management, The Company has registration under these Rules during the financial year ended on 31st March, 2018 and filed the returns with the Authorities.

We further report that the Company is required to be registered under E-Waste (Management) Rules, 2016 and Plastic Waste (Management and Handling) Rules, 2011 and subsequent amendment(s) read with Plastic Waste Management (Amendment) Rules, 2018. However, as per confirmation given by the management, the Company has applied for registration under E-Waste (Management) Rules, 2016 and the registration has not yet been received by the Company during the financial year ended on 31st March, 2018.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the financial year ended on 31st March, 2018.

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that based on the information provided and the representations made by the company and also on the review of the compliance reports of Company Secretary taken on record by the Board of Directors of the Company, in our opinion, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there were no specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines etc having a major bearing on the company's affairs.

For RSJ Associates
Company Secretaries

Akansha Tejpal
Partner
ACS: 38926
C P No.: 14566

Date: 10/08/2018
Place: New Delhi

This report is to be read with our letter of even date which is annexed as 'Annexure I' and forms an integral part of this report.

'Annexure I'

To
The Members
PG Electroplast limited

Our report of even date is to be read along with this letter which states as follows:

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of compliance by the company of applicable General Laws including Labour laws, financial laws like direct and indirect laws and maintenance of financial records and books of accounts, since the same have been subject to review by Statutory Financial Audit and other designated professionals. Further, as confirmed by the Management of the Company, no other specific Act is applicable to Company including the Environmental Laws other than mentioned in the Report.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

7. We have relied on the certificate obtained by the company from the Management Committee/Function heads and based on the report received, there has been due compliance of all laws, orders, regulations and other legal requirements of the central, state and other government and legal authorities concerning the business and affairs of the company.

For RSJ Associates
Company Secretaries

Akansha Tejpal
Partner
ACS: 38926
C P No.: 14566

Date: 10/08/2018
Place: New Delhi

Annexure IV

FORM NO. AOC-2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. **Details of contracts or arrangements or transactions not at arm's length basis:**

   There were no contracts or arrangements or transactions entered into the year ended 31st March 2018, which were not at arm's length basis.

2. **Details of all contracts or arrangement or transactions at arm's length basis:**

Nature of Contract	Party Name	Approval of Board	Approval in General Meeting	Approved limit of transaction, if any	Transaction in brief	Advance paid	Transaction Value in ₹/ Lakh (Annual)
Purchase of fixed assets	PG Infotel Pvt. Ltd.	Approval of Board on 14/02/2018	N.A.	Amount not exceeding ₹1.19 Crore	Purchase of Plant & Machinery, furniture, fixtures, etc.	--	99.01
Purchase of goods					Purchase of, raw material, other goods, etc.	--	5.98
Leasing property of any kind	Mr. Vishal Gupta	Transaction is part of ongoing lease deed 06/11/2009 for 30 years (Rent paid for Roorkee Factory).				--	0.15
	Mrs. Sudesh Gupta	Renewed vide Board approval on 14/09/2017	N.A.	Monthly rent ₹1.35 lakh plus applicable taxes & maintenance charges	Rent paid for Registered office at Jasola.	₹4.50 Lakh	16.20
Leasing property of any kind	PG Infotel Pvt. Ltd	Renewed vide Board approval on 13/02/2017. Now agreement terminated w.e.f. 28/02/2018 vide Board approval on 14/02/2018	N.A.	Monthly rent was ₹25,000 plus applicable taxes & maintenance charges	Rent received for factory space given on rent.	--	3.22
	M/s PG Electronics	Transaction is part of ongoing lease deed 06/11/2009 for 30 years (Rent paid for Roorkee Factory).				--	0.60
Related party appointment to office or place of profit	Mrs. Sudesh Gupta	10-06-2014	11-08-2014	₹2.50 lakh per month	She is a relative of Director & is holding office in the Company as an employee.	--	29.40
	Mrs. Neelu Gupta	10-06-2014	11-08-2014	₹2.50 lakh per month		--	29.40
	Mrs. Sarika Gupta	10-06-2014	11-08-2014	₹2.50 lakh per month		--	29.40
	Mrs. Nitasha Gupta	10-06-2014	11-08-2014	₹2.50 lakh per month		--	29.40
	Mr. Pranav Gupta	13-02-2017	NA	Upto 2.50 lakh per month	He is a Manager in the Company.	--	9.00

Annexure V

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN

As on the Financial Year ended on 31/03/2018

I. REGISTRATION AND OTHER DETAILS:

(i)	CIN	L32109DL2003PLC119416
(ii)	Registration Date	17th March 2003
(iii)	Name of the Company	PG Electroplast Limited
(iv)	Category/Sub-Category of the Company	Company limited by Shares/Indian Non-Government Company
(v)	Address of the Registered Office & Contact details	DTJ209, 2nd Floor, DLF Tower B, Jasola, New Delhi-110025; Email: info@pgel.in
(vi)	Whether a listed Company	Yes (Listed at BSE & NSE)
(vii)	Name, Address and contact details of Registrar and Transfer Agent, if any:	Karvy Computershare Pvt. Ltd, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 Email: einward.ris@karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

Sl. No.	Name and description of main products/service	NIC code-2008 of product/service	% of total turnover of the Company
1	Plastic Parts of Air Conditioners	28192	21.47
2	Plastic Parts of Refrigerator	27501	28.75
3	Plastic Parts of Washing Machines	27501	14.53
4	Plastic Parts of Automotive	29303	10.17

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: No such Company exists as on 31/03/2018.

IV. SHAREHOLDING PATTERN:

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01/04/2017)				No. of Shares held at the end of the year (as on 31/03/2018)				% change during the year
	De-mat	Physical	Total	% of total Shares	De-mat	Physical	Total	% of total Shares	
A. Promoter									
(1) Indian									
a) Individual/ HUF	10669332	0	10669332	65	10169332	0	10169332	61.95	0
b) Central Government	-	-	-	-	-	-	-	-	-
C) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other..	-	-	-	-	-	-	-	-	-
Sub Total (A)(1)	10669332	0	10669332	65	10169332	0	10169332	61.95	0
(2) Foreign									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other.	-	-	-	-	-	-	-	-	-
Sub Total (A)(2)	0	0	0	0	0	0	0	0	N.A.
Total Shareholding of Promoter (A)=(A)(1)+ (A)(2)	10669332	0	10669332	65	10169332	0	10169332	61.95	-3.05

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01/04/2017)				No. of Shares held at the end of the year (as on 31/03/2018)				% change during the year
	De-mat	Physical	Total	% of total Shares	De-mat	Physical	Total	% of total Shares	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	25106	0	25106	0.15	21919	0	21919	0.13	-0.02
C) Central Govt(s)	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g)FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Other (Specify)	-	-	-	-	-	-	-	-	-
Foreign Portfolio Investors	-	-	-	-	1160000	0	1160000	7.07	7.07
Sub Total (B)(1):	25106	0	25106	0.15	1181919	0	1181919	7.20	7.20
2. Non Institutions									
a) Bodies Corporate									
i) Indian	2099607	0	2099607	12.79	2256242	0	2256242	13.75	0.96
ii) Overseas					-	-	-	-	
b)Individuals									
i) Individual Shareholders holding nominal share capital upto ₹1 lakh	628693	51	628744	3.83	565587	51	565638	3.45	-0.38
ii) Individual Shareholders holding nominal share capital in excess of ₹1 lakh	2561071	0	2561071	15.61	1140186	0	1140186	6.95	-8.66
c) Others (Specify)									
Clearing Member	23553	0	23553	0.14	166851	0	166851	1.02	0.88
NBFC	-	-	-	-	37301	0	37301	0.23	0.23
Non Resident Indians	406919	0	406919	2.47	896863	0	896863	5.46	2.99
Sub-total(B)(2)	5719843	51	5719894	34.85	5063030	51	5063081	30.85	-4.00
Total Public Shareholding (B)= (B)(1) + (B)(2)	5744949	51	5745000	35.00	6244949	51	6245000	38.05	3.05
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	16414281	51	16414332	100	16414281	51	16414332	100	0

(ii) SHAREHOLDING OF PROMOTERS

S.N.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of year			% Change in shareholding during the year
		No of Shares	% of total Shareholding	% of shares pledged, encumbered to total shares	No of Shares	% of total Shareholding	% of shares pledged, encumbered to total shares	
1.	Mr. Promod Gupta	40,16,166	24.47	N.A.	40,16,166	24.47	N.A.	0
2.	Mr. Anurag Gupta	15,14,222	9.22	N.A.	15,14,222	9.22	N.A.	0
3.	Mr. Vikas Gupta	20,70,722	12.62	N.A.	20,70,722	12.62	N.A.	0
4.	Mr. Vishal Gupta	20,75,012	12.64	N.A.	20,75,012	12.64	N.A.	0
5.	Mrs. Neelu Gupta	6,15,000	3.75	N.A.	4,15,000	2.53	N.A.	-1.22
6.	Mrs. Sudesh Gupta	2,65,500	1.62	N.A.	25,500	0.16	N.A.	-1.46
7.	Mrs. Nitasha Gupta	58,500	0.36	N.A.	28,500	0.17	N.A.	-0.19
8.	Mrs. Sarika Gupta	54,210	0.33	N.A.	24,210	0.15	N.A.	-0.18
	Total	**1,06,69,332**	**65.00**		**1,01,69,332**	**61.95**		**-3.05**

(iii) Change in Promoters' Shareholding:

S.N.	Name	Shareholding		Date	Change in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares as on 1/04/2017 & 31/03/2018	% of total Shareholding				No. of Shares	% of Total Share of the Company
1.	Sudesh Gupta	2,65,500	1.62					
				28/12/2017	-2,40,000	Market Sale	25,500	0.16
		25,500	0.16				25,500	0.16
2.	Neelu Gupta	6,15,000	3.75					
				28/12/2017	-1,00,000	Market Sale	5,15,000	3.14
				29/12/2017	-1,00,000	Market Sale	4,15,000	2.53
		4,15,000	2.53				4,15,000	2.53
3.	Sarika Gupta	54,210	0.33					
				28/12/2017	-30,000	Market Sale	24,210	0.15
		24,210	0.15				24,210	0.15
4.	Nitasha Gupta	58,500	0.36					
				28/12/2017	-30,000	Market Sale	28,500	0.17
		28,500	0.17				28,500	0.17

(iv) Shareholding Pattern of top ten Shareholders as on 31/03/2018:

S.N.	For each of top 10 shareholders (other than Directors, promoters and holders of GDRs and ADRs)	Shareholding		Date	Change in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares as on 1/04/2017 & 31/03/2018	% of Total Share of the Company				No. of Shares	% of Total Share of the Company
1	ELARA INDIA OPPORTUNITIES FUND LIMITED			02/06/2017	*60,000		60,000	0.37
				16/06/2017	5,40,000	Market purchase	6,00,000	3.66
	*Shares held on BENPOS date 02/06/2017. From BENPOS date 16/06/2017 this person became one of the top 10 shareholders based on no. of shares held.			12/01/2018	-10,000	Market sale	5,90,000	3.59
		5,90,000	3.59				5,90,000	3.59
2	ASHIT MEHTA	2,93,500	1.79					
				23/06/2017	59,975	Market purchase	3,53,475	2.15
				30/06/2017	40,025	Market purchase	3,93,500	2.40
				06/10/2017	31,988	Market purchase	4,25,488	2.59
				13/10/2017	12	Market purchase	4,25,500	2.59
		4,25,500	2.59				4,25,500	2.59
3	JM FINANCIAL SERVICES LIMITED	0	0					
				14/07/2017	*3,00,000	Market purchase	3,00,000	1.83
	*From BENPOS date 14/07/2017 this person became one of the top 10 shareholders based on no. of shares held.			22/09/2017	2,12,912	Market sale	87,088	0.53
	**Shares held on BENPOS date 16/02/2018.			16/02/2018	**93,740		93,740	0.57
	*** From BENPOS date 02/03/2018 this person again became one of the top 10 shareholders.			23/02/2018	19,394	Market purchase	1,13,134	0.69
				02/03/2018	***2,85,365	Market purchase	3,98,499	2.43
				09/03/2018	-21,000	Market sale	3,77,499	2.30
				16/03/2018	-24,200	Market sale	3,53,299	2.15
				23/03/2018	-23,421	Market sale	3,29,878	2.01
				30/03/2018	-9,000	Market sale	3,20,878	1.95
		3,20,878	1.95				3,20,878	1.95

S.N.	For each of top 10 shareholders (other than Directors, promoters and holders of GDRs and ADRs)	Shareholding		Date	Change in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares as on 1/04/2017 & 31/03/2018	% of Total Share of the Company				No. of Shares	% of Total Share of the Company
	SUNITA SARWANKUMAR SARAF	3,03,000	1.85					
				18/08/2017	-3,000	Market sale	3,00,000	1.83
				15/09/2017	-2,000	Market sale	2,98,000	1.82
				22/09/2017	-4,500	Market sale	2,93,500	1.79
				01/12/2017	-15,000	Market sale	2,78,500	1.70
				22/12/2017	-15,000	Market sale	2,63,500	1.61
		2,63,500	1.61				2,63,500	1.61
5	SHRIRAM CREDIT COMPANY LIMITED From BENPOS date 09/06/2017 this person became one of the top 10 shareholders based on no. of shares held.	0	0					
				09/06/2017	1,12,000	Market purchase	1,12,000	0.68
				16/06/2017	11,300	Market purchase	2,25,000	1.37
		2,25,000	1.37				2,25,000	1.37
6	NEW LEAINA INVESTMENTS LIMITED From BENPOS date 05/01/2018 this person became one of the top 10 shareholders based on no. of shares held.	0	0					
				05/01/2018	1,75,000	Market purchase	1,75,000	1.07
				23/02/2018	40,000	Market purchase	2,15,000	1.31
		2,15,000	1.31				2,15,000	1.31
7	AVIATOR GLOBAL INVESTMENT FUND *Shares held on BENPOS date 26/01/2018. From BENPOS date 09/02/2018 this person became one of the top 10 shareholders based on no. of shares held.			26/01/2018	*1,25,000		1,25,000	0.76
				09/02/2018	80,000	Market purchase	2,05,000	1.25
		2,05,000	1.25				2,05,000	1.25
8	ARTHA VRDDHI SECURITIES LIMITED *Shares held on BENPOS date 19/01/2018. From BENPOS date 02/02/2018 this person became one of the top 10 shareholders based on no. of shares held.			19/01/2018	*326		326	0.00
				26/01/2018	99,800	Market purchase	1,00,126	0.61
				02/02/2018	1,03,819	Market purchase	2,03,945	1.24
				09/02/2018	-3,945	Market sale	2,00,000	1.22
				23/03/2018	440	Market purchase	2,00,440	1.22
				31/03/2018	2,000	Market purchase	2,02,440	1.23
		2,02,440	1.23				2,02,440	1.23
9	AJAY SURENDRABHAI PATEL	6,04,421	3.68					
				14/07/2017	-3,00,000	Market sale	3,04,421	1.85
				22/09/2017	2,12,912	Market purchase	5,17,333	3.15
				22/12/2017	3888	Market purchase	5,21,221	3.18
				02/02/2018	-10,550	Market sale	5,10,671	3.11
				16/02/2018	-1,314	Market sale	5,09,357	3.10
				23/02/2018	-13,080	Market sale	4,96,277	3.02
				02/03/2018	-3,00,000	Market sale	1,96,277	1.20
		1,96,277	1.20				1,96,277	1.20
10	PRITI MEHTA *Shares held on BENPOS date 09/06/2017. From BENPOS date 23/06/2017 this person became one of the top 10 shareholders based on no. of shares held.			09/06/2017	*40,375		40,375	0.25
				23/06/2017	1,29,998	Market purchase	1,70,373	1.04
				30/06/2017	2	Market purchase	1,70,375	1.04
		1,70,375	1.04				1,70,375	1.04

Note: The changes in the shareholding in the above shareholders were due to buying/ selling of shares through Stock Exchange by the shareholders. Hence, date wise increase/decrease prior to the date when they were not belonging to top 10 shareholders is not indicated here. The Company has not allotted any share or issued bonus/sweat equity shares during the year.

(v) Shareholding of Directors and Key Managerial Personnel:

S.N.	For each of top 10 shareholders	Shareholding		Date	Change in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares as on 1/04/2017 & 31/03/2018	% of Total Share of the Company				No. of Shares	% of Total Share of the Company
1	Mr. Promod Gupta	40,16,166	24.47	NA	No Change	-	40,16,166	24.47
2	Mr. Anurag Gupta	15,14,222	9.22	NA	No Change	-	15,14,222	9.22
3	Mr. Vikas Gupta	20,70,722	12.62	NA	No Change	-	20,70,722	12.62
4	Mr. Vishal Gupta	20,75,012	12.64	NA	No Change	-	20,75,012	12.64
5	Mr. Sharad Jain	0	0.00	NA	No Change	-	0	0.00
6	Mr. Devendra Jha	0	0.00	NA	No Change	-	0	0.00
7	Mr. Ayodhya Prasad Anand	0	0.00	NA	No Change	-	0	0.00
8	Dr. Rita Mohanty	0	0.00	NA	No Change	-	0	0.00
		Key Managerial Personnel other than Directors						
1	Mr. K.A. Khandelwal*	250	0.00					
				01/11/2017	-200	Market sale	*50	0.00
		*50	0.00				*50	0.00
2	Mr. Rahul Kumar**	0	0.00	NA	No Change	-	0	0.00

*Mr. K.A. Khandelwal (CFO) has resigned w.e.f. 04/11/2017.
**Mr. Rahul Kumar (CS) has resigned w.e.f. 16/04/2018.

Vi. INDEBTEDNESS: (Indebtedness of the company including interest outstanding/accrued but not due for payment)

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	5936.66	5233.30	0	11,169.96
(ii) Interest due but not paid	0	0	0	0
(iii) Interest accrued but not due	38.00	0	0	38.00
Total [(i)+(ii)+(iii)]	5974.66	5233.30	0	11,207.96
Change in Indebtedness during the financial year				
Addition	3,895.54	2,994.96	0	6,890.50
Reduction	3,181.74	2,015.66	0	5,197.40
Net Change	713.80	979.30	0	1,693.10
Indebtedness at the end of the financial year				
(i) Principal Amount	6,641.78	6,212.60	0	12,854.38
(ii) Interest due but not paid	0	0	0	0
(iii) Interest accrued but not due	46.68	0	0	46.68
Total [(i)+(ii)+(iii)]	6,688.46	6,212.60	0	12,901.06

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (₹ in Lakh):

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

(₹ in Lakh)

S.N.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		Mr. Promod Gupta	Mr. Anurag Gupta	Mr. Vishal Gupta	Mr. Vikas Gupta	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) & 17(3) of the Income-tax Act, 1961	72.66	72.66	72.66	72.66	290.64
	(b) Value of perquisites under section 17(2) Income-tax Act, 1961	0	0	0	0	0
2	Stock option	0	0	0	0	0
3	Sweat Equity	0	0	0	0	0
4	Commission	0	0	0	0	0
5	Other, please specify	0	0	0	0	0
	Total	72.66	72.66	72.66	72.66	290.64
	Ceiling as per the Act	120.00*	120.00*	120.00*	120.00*	

* As per Section II, part II of schedule V of the Companies Act 2013.

B. REMUNERATION TO OTHER DIRECTORS:

(₹ in Lakh)

S.N.	Particulars of Remuneration	Name of Directors				Total
		Mr. Sharad Jain	Mr. Devendra Jha	Mr. Ayodhya Prasad Anand	Dr. Rita Mohanty	
1	Independent Directors					
	• Fee for attending Board/committee meetings	2.00	1.20	1.70	1.20	6.10
	• Commission	0	0	0	0	0
	• Others	0	0	0	0	0
	Total (1)	2.00	1.20	1.70	1.20	6.10
2.	Other Non-Executive Directors	All Non-Executive Directors are Independent Directors & their remuneration is given in point 1 above.				
	Total B (1+2)	2.00	1.20	1.70	1.20	6.10
Total Managerial Remuneration (A+B)						296.74
Overall Ceiling as per the Act		The Company had inadequate profit, thus, paying remuneration as per provision of Schedule V, where yearly remuneration of ₹120 lakh is permissible to any managerial personnel after approval of Shareholders.				

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

(₹ in Lakhs)

S.N.	Particulars of Remuneration	Rahul Kumar	K.A. Khandelwal	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1), (3) of the Income-tax Act, 1961 & other	5.51	15.18	20.69
	(b) Value of perquisites under section 17(2) Income-tax Act,1961	0	0	0
2	Stock option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
5	Other, please specify	0	0	0
	Total	**5.51**	**15.18**	**20.69**

VIII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES DURING F.Y. 2017-18:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding Fee, imposed	Authority (RD/ NCLT/ Court)	Appeal made, if any, give details
A. Company					
Penalty	N.A.	-	-	-	-
Punishment	N.A.	-	-	-	-
Compounding	N.A.	-	-	-	-
B. Directors					
Penalty	N.A.	-	-	-	-
Punishment	N.A.	-	-	-	-
Compounding	N.A.	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A.	-	-	-	-
Punishment	N.A.	-	-	-	-
Compounding	N.A.	-	-	-	-

An adjudication order dated August 2, 2017 has been passed by Adjudicating officer (AO) of SEBI in the matter of alleged irregularities in Initial Public Offer of the Company in the period August 2011 to September 2011 for issue of 57,45,000 equity shares of face value ₹10/- each through 100% book building process.

In this matter, a show cause Notice dated September 11, 2013 was issued under rule 4 of SEBI (Procedure for holding inquiry and imposing penalties by Adjudicating Officer) Rules 1995 read with section 15I(2) of SEBI Act 1992. SEBI initiated adjudication proceedings under the Act to inquire into and adjudge the alleged violations of certain provisions/Section/regulation of the SEBI Act, 1992; SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulation, 2003 (PFUTP Regulations); SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (ICDR Regulations) by the Company and its directors namely, Mr. Promod Gupta, Mr. Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta.

Now, vide order dated August 2, 2017 Adjudicating officer of SEBI has imposed monetary penalties of Rupees One Crore on the Company and Rupees One Crore on each of four directors (mentioned in above paragraph) for the violation of ICDR Regulations. AO has also imposed penalty on 26 entities for violation of the provisions of Section 11C(2) and (3) of the SEBI Act, 1992, they are not related to PG Electroplast Limited. As regards the violation of the provisions of PFUTP Regulations by the Company and its directors, AO finds that the Hon'ble SAT (Order dated August 30, 2016) has not found any merit in the said allegations. An appeal has been filed to Hon'ble SAT against this order.

Annexure VI

DISCLOSURE RELATED REMUNERATION REQUIRED UNDER RULE 5 OF THE COMPANIES APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONAL RULES, 2014

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

Name	Ratio
Mr. Promod Gupta	43.37
Mr. Anurag Gupta	43.37
Mr. Vishal Gupta	43.37
Mr. Vikas Gupta	43.37

1. The median remuneration of employees of the Company was ₹1,67,522.73/- per annum.

2. For this purpose, Sitting Fees paid to the Directors & remuneration to Executive Directors has not been considered as remuneration.

(ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name	Designation	% increase in remuneration
Mr. Promod Gupta	Managing Director	33.36
Mr. Anurag Gupta	Whole Time Director	33.36
Mr. Vishal Gupta	Whole Time Director	33.36
Mr. Vikas Gupta	Whole Time Director	33.36
Mr. Rahul Kumar*	Company Secretary	26.96

*Mr. Rahul Kumar has resigned w.e.f. 16/04/2018.
Mr. K.A. Khandelwal (Chief Financial Officer) has resigned w.e.f. 04/11/2017.

(iii) The percentage increase in the median remuneration of employees in the financial year: 8.59%

(iv) The number of permanent employees on the rolls of company as on 31st March, 2018: 864

(v) There are no exceptional circumstances for increase in the managerial remuneration.

(vi) Affirmation: It is hereby confirmed that remuneration paid is as per the remuneration policy of the Company.

(vii) Name of the top ten employees (other than whole time directors) in terms of the remuneration drawn:

Name	Designation
Mrs. Sudesh Gupta	Senior Manager
Mrs. Neelu Gupta	Senior Manager
Mrs. Sarika Gupta	Senior Manager
Mrs. Nitasha Gupta	Senior Manager
Mr. Bhawa Nand Choudhary	Chief Operational Officer
Mr. Jitender Rana*	Factory Head - Unit-1
Mr. Tarlok Singh Thakur	DGM - Project
Mr. K.A. Khandelwal**	Chief Financial Officer
Mr. Ram Kumar	DGM - Operations
Mr. Vikas Koul	Factory Head - Unit-4

Mr. Jitender Rana* has resigned w.e.f. 01/12/2017

Mr. K.A. Khandelwal** has resigned w.e.f. 4/11/2017.

(viii) There was no employee in the Company, who was in receipt of remuneration for the year 2017-18 in excess of or equal to Rupees One Crore and Two Lakh or Rupees Eight Lakh and Fifty Thousand in any month. Further, there was no employee who was getting remuneration in excess of or equal to Rupees Sixty Lakh in that year or Rupees Five Lakh in any month during the F.Y. 2017-18.

INDEPENDENT AUDITOR'S REPORT

To the Members of

PG Electroplast Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of PG Electroplast Limited ('the Company'), which comprise the balance sheet as at March 31, 2018, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with 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 of 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2018, and its Profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

2. As required by Section 143(3) of the Act, 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, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

(d) in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) on the basis of the written representations received from the directors as on March 31, 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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 B"; and

(g) 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, 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 38 of the Ind AS Financial Statements;

   ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and

   iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Chitresh Gupta & Associates**
Chartered Accountants
Firm Registration No.: 017079N

CA. Chitresh Gupta
Partner
Membership no.: 098247

Place: Greater Noida, UP
Date: 25th May 2018

Annexure A to Independent Auditor's Report

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date

1. a. The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.

   b. According to the information and explanations given to us, all fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

   c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

2. As explained to us, the inventories except goods in transit have been physically verified by the management at reasonable intervals during the year or at year end at all locations of the company. The discrepancies noticed on verification between the physical stocks and book records, which in our opinion were not material, have been properly dealt with in the books of account.

3. According to information and explanations given to us and on the basis of our examination of the books of account, 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, the paragraph 3 (iii)(a), 3 (iii)(b) and 3 (iii)(c) of the order is not applicable to the Company.

4. In our opinion and according to information and explanations given to us, the company has not given any loans, made investments, give guarantees or security during the year which is covered under provisions of section 185 and 186 of the Act. Accordingly, the paragraph 3 (iv) of the order is not applicable to the Company.

5. According to information and explanations provided by the management, we are of the opinion that the Company has not accepted any deposits from public covered under section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there-under. Accordingly, the paragraph 3 (v) of the order is not applicable to the Company.

6. We have broadly reviewed the cost records maintained by the Company in respect of products where pursuant to section 148(1) of the Companies Act, 2013, the maintenance of cost records has been prescribed and are of the opinion that prima-facie the prescribed cost records have been maintained. However, we are not required to carry out and have not carried out a detailed examination of the records with a view to determine whether they are accurate and complete.

7. (a) According to the information and explanations given to us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, TDS, Sales-Tax, Service Tax, Goods and Services Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it.

   According to the information and explanations given to us, no undisputed amounts payable in respect provident fund, employee's state insurance, income-tax, sales-tax, service tax, goods and services tax, duty of customs, duty of excise, value added tax, cess were in arrear as at 31st March 2018 for a period of more than six months from the date they became payable.

   (b) According to the information and explanations given to us, the following dues of duty of excise, duty of custom have not been deposited by the company on account of dispute:

Name of the Statute	Nature of Dues	Amount (₹ in lakhs)	Year to which amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	765.73	2008-09 to 2011-12	Supreme Court
Customs Act, 1962	Anti-Dumping Duty	738.54	2010-11	CESTAT Allahabad Bench

8. Based on our audit procedures and on the information and explanations given to us, the Company did not have any outstanding debentures or loans or borrowings from Government during the year. Further, Company has not defaulted in repayment of loans or borrowings to financial institution or to banks as on balance sheet date.

9. On the basis of information and explanations given to us, term loan were applied for the purpose for which the loans were obtained. No moneys have been raised during the year by way of initial public offer or further public offer.

10. During the course of our examination of the books and records of the Company carried out in accordance with generally accepted auditing practice in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have been informed of such case by the management.

11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the provisions of section 197 read with Schedule V of the Companies Act, 2013.

12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

For Chitresh Gupta & Associates
Chartered Accountants
Firm Registration No.: 017079N

CA. Chitresh Gupta
Partner
Membership No.: 098247

Place: Greater Noida
Date: 25th May 2018

Annexure B to Independent Auditors' Report

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 **PG Electroplast Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS 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 maintaining 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 the 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.

Auditor's 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, 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 judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes 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, 2018, 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.

For Chitresh Gupta & Associates
Chartered Accountants
Firm Registration No.: 017079N

CA. Chitresh Gupta
Partner
Membership No.: 098247

Place: Greater Noida, UP
Date : 25th May 2018

BALANCE SHEET AS ON 31ST MARCH, 2018

(All amounts in ₹ lakhs, unless otherwise stated)

	Note No.	31st March, 2018	31st March, 2017	1st April, 2016
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	3	17,851.54	16,196.72	14,564.89
Capital Work-in-Progress	3	2,293.76	272.22	115.54
Intangible Assets	4	74.49	77.04	71.38
Financial Assets				
i. Trade Receivables	5	-	-	-
ii. Loans	6	-	-	-
iii. Other Financial Assets	7	227.75	145.17	130.28
Deferred Tax Assets	8	194.12	80.00	80.00
Other Non-Current Assets	9	501.55	243.21	141.95
Income Tax Assets (Net)	20	-	241.27	-
Total Non-Current Assets		**21,143.21**	**17,255.63**	**15,104.04**
Current assets				
Inventories	10	5,931.07	6,312.97	4,587.12
Financial assets				
i. Trade Receivables	5	5,070.78	6,748.65	5,405.65
ii. Cash and Cash Equivalents	11 (a)	154.93	235.96	56.87
iii. Bank Balances other than Cash and Cash Equivalents	11 (b)	257.88	186.49	794.25
iv. Loans	6	17.55	21.62	15.30
v. Other Financial Assets	7	425.64	472.27	543.09
Other Current Assets	9	1,556.41	1,615.00	1,615.94
Income Tax Assets (Net)	20	247.98	145.49	324.58
Total Current Assets		**13,662.24**	**15,738.45**	**13,342.80**
TOTAL ASSETS		**34,805.45**	**32,994.08**	**28,446.84**
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	12	1,641.43	1,641.43	1,641.43
Other Equity	13	11,440.88	10,675.39	10,320.54
Total Equity		13,082.31	12,316.82	11,961.97
LIABILITIES				
Non-Current Liabilities				
Financial Liabilities				
i. Borrowings	14	7,958.35	4,843.22	4,219.89
ii. Other Financial Liabilities	18	30.34	5.84	-
Provisions	15	300.56	208.47	194.14
Total Non-Current Liabilities		**8,289.24**	**5,057.53**	**4,414.03**
Current liabilities				
Financial liabilities				
i. Borrowings	16	3,560.08	4,773.23	3,337.56
ii. Trade Payables	17	6,495.37	7,445.30	6,235.79
iii. Other Financial Liabilities	18	2,481.50	2,255.71	1,379.56
Other Current Liabilities	19	810.25	1,078.79	1,061.10
Provisions	15	86.69	66.70	56.83
Total Current Liabilities		**13,433.89**	**15,619.73**	**12,070.84**
Total Liabilities		**21,723.13**	**20,677.26**	**16,484.87**
TOTAL EQUITY AND LIABILITIES		**34,805.45**	**32,994.08**	**20,446.84**

The accompanying notes 1 to 41 form an integral part of financial statements.

As Per Our Report of Even Date Attached

For Chitresh Gupta & Associates
Chartered Accountants
Firm Registration No. 017079N

For and on behalf of Board of Directors

CA Chitresh Gupta (Partner)
M. No. 098247

Chairman
(Anurag Gupta)
DIN-00184361

Executive Director
(Vishal Gupta)
DIN-00184809

Place: Greater Noida, U.P.
Dated:25th May 2018

Company Secretary
(Sanchay Dubey)

Chief Financial Officer
(M.P. Gupta)

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(All amounts in ₹ lakhs, unless otherwise stated)

	Note No.	31st March, 2018	31st March, 2017
Revenue from Operations	21	41,278.67	40,710.22
Other Income	22	531.05	313.45
Total Income		**41,809.72**	**41,023.67**
Expenses:			
Cost of Materials Consumed	23	29,527.95	26,137.09
Purchase of Stock in trade	23.1	2,470.72	1,779.69
Changes in inventories of finished goods and work-in-progress	24	(1,086.18)	190.24
Excise duty on sale of products		1,336.60	4,075.22
Employee benefits expenses	25	3,491.06	3,287.68
Finance cost	26	1,064.58	990.01
Depreciation and amortisation expenses	27	1,173.63	1,058.20
Other expenses	28	3,082.86	3,169.36
Total expenses		**41,061.22**	**40,687.49**
Profit before tax		**748.50**	**336.18**
Tax expenses:			
Current tax	29	109.91	-
Deferred tax	29	(109.91)	-
Total tax expenses		-	-
Profit for the year		**748.50**	**336.18**
Other comprehensive income:			
A (i) Items that will not be reclassified to profit or loss:			
Remeasurements of the defined benefit plans		20.64	18.67
(ii) Income tax relating to items that will not be reclassified to profit & loss (Net)		-	-
B (i) Items that may be reclassified to profit or loss			
(ii) Income tax relating to items that may be reclassified to profit & loss			-
Other comprehensive income for the year, net of tax		**20.64**	**18.67**
Total comprehensive income for the year		**769.14**	**354.85**
Earnings per equity share of ₹10.00 each	30		
Basic earnings per share		4.69	2.16
Diluted earnings per share		4.69	2.16

The accompanying notes 1 to 41 form an integral part of financial statements.

As Per Our Report of Even Date Attached

For Chitresh Gupta & Associates
Chartered Accountants
Firm Registration No. 017079N

For and on behalf of Board of Directors

CA Chitresh Gupta (Partner)
M. No. 098247

Chairman
(Anurag Gupta)
DIN-00184361

Executive Director
(Vishal Gupta)
DIN-00184809

Place: Greater Noida, U.P.
Dated:25th May 2018

Company Secretary
(Sanchay Dubey)

Chief Financial Officer
(M.P. Gupta)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

(All amounts in ₹ lakhs, unless otherwise stated)

	31st March, 2018	31st March, 2017
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	748.50	336.18
Adjustment for:		
Depreciation and amortization	1,173.63	1,058.20
Employee benefit expenses non operating	20.64	18.67
Written off of non P & L items	(3.65)	-
Loss on sale of fixed assets	6.92	4.08
Profit on sale of fixed assets	(8.11)	(19.35)
Provision for Doubtful recoveries	45.00	75.00
Misc balances written off	18.80	11.29
Provision for doubtful debts	40.28	20.75
Provision for doubtful advance to suppliers & capital advance	33.70	12.35
Liabilities written back	(220.13)	(2.72)
Interest expense	1,051.83	979.39
Interest income	(34.39)	(41.89)
Operating profit before working capital changes	**2,873.02**	**2,451.95**
Movements in working capital :		
Increase/(decrease) in trade Payables	(729.80)	1,212.23
Increase/(decrease) in Long - term provisions,financial liabilities	116.59	20.17
Increase/(decrease) in Short - term provisions	19.99	9.88
Increase/(decrease) in Other Current Liabilities	(9.85)	95.69
Decrease/(increase) in trade receivables	1,618.79	(1,375.05)
Decrease/(increase) in inventories	381.90	(1,725.84)
Decrease / (increase) in Long - term loans and advances	(75.96)	(7.99)
Decrease / (increase) in Short - term loans and advances	23.32	(20.54)
Cash generated from /(used in) operations	4,218.00	660.51
Direct taxes (paid) /refund	24.66	(62.19)
Net cash flow from/ (used in) operating activities (A)	**4,242.66**	**598.32**
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property Plant and equipment, including intangible assets, CWIP	(5,018.61)	(3,004.42)
Proceeds from sale of Property plant and equipment	87.70	54.52
Bank Deposit having maturity more than 3 months	(71.39)	607.76
Interest received	32.44	44.05
Net cash flow from/(used in) investing activities (B)	**(4,969.87)**	**(2,298.09)**
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long-term borrowings	5,037.98	2,241.87
Repayment of long-term borrowings	(2,140.41)	(838.30)
Short-term borrowings (Net)	(1,213.15)	1,435.66
Interest paid	(1,038.24)	(960.38)
Net cash flow from/(used in) in financing activities (C)	**646.18**	**1,878.86**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(81.03)	179.09

(All amounts in ₹ lakhs, unless otherwise stated)

	31st March, 2018	31st March, 2017
Cash and cash equivalents at the beginning of the year	235.96	56.87
Cash and cash equivalents at the end of the year	**154.93**	**235.96**
Components of cash and cash equivalents		
Cash on hand	14.03	7.23
With banks:		
-on current account	140.90	228.73
-on deposit account		
Total cash and cash equivalents (refer note no. 11a)	**154.93**	**235.96**

NOTES

Figures in negative/brackets shows Cash outflow

As Per Our Report of Even Date Attached

For Chitresh Gupta & Associates
Chartered Accountants
Firm Registration No. 017079N

For and on behalf of Board of Directors

CA Chitresh Gupta (Partner)
M. No. 098247

Chairman
(Anurag Gupta)
DIN-00184361

Executive Director
(Vishal Gupta)
DIN-00184809

Place: Greater Noida, U.P.
Dated:25th May 2018

Company Secretary
(Sanchay Dubey)

Chief Financial Officer
(M.P. Gupta)

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31,2018

A EQUITY SHARE CAPITAL

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

(All amounts in ₹ lakhs, unless otherwise stated)

As at 1 April 2016	1,641.43
Changes during the year	-
As at 31 March 2017	1,641.43
changes during the year	-
As at 31 March 2018	1,641.43

B OTHER EQUITY

(All amounts in ₹ lakhs, unless otherwise stated)

	Reserves and surplus			Total other equity
	Capital reserve	Securities premium	Retained earnings	
Balance as at 1 April 2016	3.65	10,910.32	(593.43)	10,320.54
Profit/(loss) for the year	-	-	336.18	336.18
Other comprehensive income, net of income tax	-	-	18.67	18.67
Movement during the year				-
Balance as at 31 March 2017	**3.65**	**10,910.32**	**(238.58)**	**10,675.39**
Profit/(loss) for the year		-	748.50	748.50
Other comprehensive income, net of income tax	-	-	20.64	20.64
Movement during the year	(3.65)	-	-	(3.65)
Balance as at 31 March 2018	**-**	**10,910.32**	**530.56**	**11,440.88**

The accompanying notes 1 to 41 form an integral part of the financial statements.

As Per Our Report of Even Date Attached

For Chitresh Gupta & Associates
Chartered Accountants
Firm Registration No. 017079N

CA Chitresh Gupta (Partner)
M. No. 098247

Place: Greater Noida, U.P.
Dated:25th May 2018

For and on behalf of Board of Directors

Chairman
(Anurag Gupta)
DIN-00184361

Executive Director
(Vishal Gupta)
DIN-00184809

Company Secretary
(Sanchay Dubey)

Chief Financial Officer
(M.P. Gupta)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

1. CORPORATE INFORMATION

PG Electroplast Limited ('The Company") is a public Company 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 Company Is located at DTJ - 209, DLF Tower B, Jasola, New Delhi - 110025. The Company is an Electronic Manufacturing Services (EMS) provider for Original Equipment Manufacturers (OEMs) of consumer electronic products in India. The Company 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. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation and presentation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended 31 March 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP).

These financial statements are the first financial statements of the Company under Ind AS. The date of transition to Ind AS is 1 April 2016. Refer note 40 for the details of first-time adoption exemptions availed by the Company and an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis except for certain assets and liabilities (including derivative instruments) that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17 Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 Inventories or value in use in Ind AS 36 Impairment of Assets.

(b) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Based on the education material on Ind AS 18 issued by the ICAI, the Company assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty.

However, sales tax/value added tax (VAT) goods & service tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly it is excluded from the revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Recognising revenue from major business activities

(i) Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

* the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
* the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
* the amount of revenue can be measured reliably;
* it is probable that the economic benefits associated with the transaction will flow to the Company; and
* the costs incurred or to be incurred in respect of the transaction can be measured reliably.

(ii) Rendering of Services

Revenue from rendering of services is recognised when the performance obligation to render the services are completed as per contractually agreed terms.

(iii) Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(iv) Rental income

The Company's policy for recognition of revenue from operating leases is described in note 1(d) below.

(c) Government grants

Grants from the government are recognised where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented either within other income or net of related costs.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit & loss in the period in which they become receivable.

(d) Leases

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

(i) As a lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs (see note 1(g) below).

Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases in which case lease expenses are charged to profit or loss on the basis of actual payments to the lessors.

(ii) As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(e) Foreign currency translation

(i) Functional and presentation currency

The financial statements are presented in Indian rupee (₹), which is Company's functional and presentation currency unless stated otherwise.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss in the period in which they arise.

Foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

(f) Impairment of non-financial assets

Non- financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non- financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(g) Fianance costs

Fianance costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

(h) Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

(i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit may differ from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(iii) Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

(i) Property, plant and equipment

Property, plant and equipment are tangible items that are held for use in the production or supply for goods and services, rental to others or for administrative purposes and are expected to be used during more than one period. The cost of an item of property, plant and equipment shall be recognised as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items and are net of recoverable taxes /duty. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Each part of item of property, plant and equipment, if significant in relation to the total cost of the item, is depreciated separately. Further, parts of plant and equipment that are technically advised to be replaced at prescribed intervals/period of operation are depreciated separately based on their specific useful life provided these are of significant amounts commensurate with the size of the Company and scale of its operations. The carrying amount of any equipment accounted for as separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 (transition date) measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation commences when the assets are ready for their intended use. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives.

Depreciation on Property, Plant & Equipment has been provided on Straight Line Method (SLM) based on the useful life of the assets prescribed in Schedule II of the Companies Act, 2013 except in respect of major plant & machinery, where useful life has been taken as 25 years, as technically assessed.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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

(j) Intangible assets

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Estimated useful lives of the intangible assets are as follows:

Assets	**Estimated Useful Life**
Computer Software	6 Years
Product Development	10 Years

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

Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

* the technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
* its intention to complete and its ability and intention to use or sell the asset;
* how the asset will generate probable future economic benefits;
* the availability of adequate technical, financial and other resources to complete the development and to use or sell the asset; and
* the ability to measure reliably the expenditure attributable to asset during its development.

The amount initially recognised for intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no intangible assets can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred. Subsequent to initial recognition, such intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as of acquired intangible assets.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

(k) Inventories

(i) Inventories of raw materials, components, stores and spares are valued at lower of cost (net of recoverable taxes) and net realizable value. Cost for the purpose of valuation of such inventories is determined using the first-in, first-out (FIFO) method.

(ii) Finished goods and work-in-progress are valued at lower of cost and net realizable value. The cost of finished goods and work-in- progress includes raw material costs (net of recoverable taxes), direct cost of conversion and proportionate allocation of indirect costs incurred in bringing the inventories to their present location and condition. Excise duty is included in the value of finished goods, wherever applicable.

(l) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When the effect of the time value of money is material, provision is measured at the present value of cash flows estimated to settle the present obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(m) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the undiscounted amounts expected to be paid when the liabilities are settled. The liabilities are presented as current benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

Other long-term employee benefits includes earned leaves, sick leaves and employee bonus.

Earned leaves

The liabilities for earned leaves are not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit & loss. The obligations are presented as provisions in the balance sheet.

(iii) Post-employment obligations

The Company operates the following post employment schemes:

* defined benefit plan towards payment of gratuity; and
* defined contribution plans towards provident fund & employee pension scheme, employee state insurance and superannuation scheme.

Defined benefit plans

The Company provides for gratuity obligations through a defined benefit retirement plan (the 'Gratuity Plan') covering all employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement/termination of employment or death of an employee, based on the respective employees' salary and years of employment with the Company.

The liability or asset recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The present value of the defined benefit obligation is determined using projected unit credit method by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation, with actuarial valuations being carried out at the end of each annual reporting period.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined contribution plans

Defined contribution plans are retirement benefit plans under which the Company pays fixed contributions to separate entities (funds) or financial institutions or state managed benefit schemes. The Company has no further payment obligations once the contributions have been paid. The defined contributions plans are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

* **Provident Fund Plan & Employee Pension Scheme**

The Company makes monthly contributions at prescribed rates towards Employees' Provident Fund/ Employees' Pension Scheme to a Fund administered and managed by the Government of India.

* **Employee State Insurance**

The Company makes prescribed monthly contributions towards Employees' State Insurance Scheme.

(p) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

* **Initial Recognition**

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or release of financial assets and financial liabilities respectively, which are not at fair value through profit or loss, are added to the fair value of underlying financial assets and liabilities on initial recognition. Trade receivables and trade payables that do not contain a significant financing component are initially measured at their transaction price.

* **Subsequent Measurement**

a. Non- Derivative Financial Instruments

* **Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost which is held with objective to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

* **Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income which is held with objective to achieve both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

* **Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

* **Impairment of financial assets**

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.

The Company recognises life-time expected losses for all trade receivables. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

The Company follows 'simplified approach' for the recognition of impairment loss allowance on trade and other receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on life-time ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

* **Financial liabilities**

  Financial liabilities are subsequently carried at amortized cost using the effective interest method. Financial liabilities at fair value through profit and loss includes financial liability held for trading and financial liability designated upon initial recognition as at fair value through profit and loss.

* **Cash and cash equivalents**

  Cash and cash equivalents consist of cash, bank balances in currents and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

* **Derecognition**

  The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognitionas per Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

* **Offsetting of financial instruments**

  Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

* **Reclassification of financial assets**

  The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

(q) CRITICAL ACCOUNTING ESTIMATES,ASSUMPTIONS AND JUDGEMENTS

(i) Property, plant and equipment

External advisor and/or internal technical team assesses the remaining useful life and residual value of property, plant and equipment. Management believes that the assigned useful lives and residual values are reasonable.

(ii) Intangibles

Internal technical and user team assess the remaining useful lives of Intangible assets. Management believes that assigned useful lives are reasonable.All Intangibles are carried at net book value on transition.

(iii) Other estimates

The Company estimates the un-collectability of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required. Similarly, the Company provides for inventory obsolescence, excess inventory and inventories with carrying values in excess of net realizable value based on assessment of the future demand, market conditions and specific inventory management initiatives. In all cases inventory is carried at the lower of historical cost and net realizable value.

3. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK IN PROGRESS

(All amounts in ₹ lakhs, unless otherwise stated)

	Property, Plant and Equipments								
	Lease-hold Land	Build-ings	Plant and Equip-ments	Electric installa-tion	Furni-ture and Fixtures	Vehicles	Office equip-ment	Total	Capital Work in Progress
Year ended 31 March 2017									
Gross carrying amount									
Deemed cost as at 1 April 2016	470.09	4,552.01	8,917.19	274.67	77.33	241.52	32.08	14,564.89	115.54
Additions	-	344.87	2,055.93	33.47	67.85	145.05	65.93	2,713.09	1,412.16
Disposals	-	-	(37.07)	-	-	(3.78)	-	(40.85)	(1,255.49)
Closing gross carrying amount	**470.09**	**4,896.88**	**10,936.04**	**308.14**	**145.18**	**382.79**	**98.00**	**17,237.14**	**272.22**
Accumulated depreciation:									
Depreciation charge during the year	6.33	175.72	709.02	54.20	15.79	60.80	20.16	1,042.02	-
Disposals	-	-	(1.08)	-	-	(0.52)	-	(1.60)	-
Closing accumulated depreciation	**6.33**	**175.72**	**707.93**	**54.20**	**15.79**	**60.28**	**20.16**	**1,040.42**	**-**
Net carrying amount	**463.76**	**4,721.16**	**10,228.11**	**253.94**	**129.39**	**322.51**	**77.84**	**16,196.72**	**272.22**
Year ended 31st Mar 2018									
Gross carrying amount									
Opening gross carrying amount	470.09	4,896.88	10,936.04	308.15	145.19	382.79	98.00	17,237.14	272.22
Additions	121.89	249.13	2,312.75	109.04	62.82	11.72	30.58	2,897.93	3,711.00
Disposals	-	-	(88.68)	-	-	(8.42)	-	(97.10)	(1,689.45)
Closing gross carrying amount	**591.98**	**5,146.00**	**13,160.12**	**417.19**	**208.01**	**386.09**	**128.58**	**20,037.97**	**2,293.76**
Accumulated depreciation									
Opening accumulated depreciation	6.33	175.72	707.93	54.20	15.79	60.28	20.16	1,040.42	-
Depreciation charge during the year	7.48	191.63	783.10	58.82	20.51	67.39	27.67	1,156.61	-
Disposals	-	-	(6.52)	-	-	(4.08)	-	(10.59)	-
Closing accumulated depreciation	**13.82**	**367.35**	**1,484.52**	**113.02**	**36.30**	**123.60**	**47.83**	**2,186.44**	**-**
Net carrying amount	**578.17**	**4,778.65**	**11,675.60**	**304.17**	**171.71**	**262.49**	**80.75**	**17,851.54**	**2,293.76**

Notes:

(i) Leasehold Land

The original lease terms in respect of a parcel of land acquired as under-

Plot no	Period of Lease
P-4/2to 4/6 at Unit-1	90 years
E-14, 15 at Unit-III	83 years
F-20 at Unit-III	59 years
I-26, 27 at Unit-V	64 years
A-20/2 at Unit IV	85 Years
C-11 at Unit-IV	76 years

These leases of lands have been classified as finance lease in terms of criteria specified in Ind AS 17 leases, including the facts that the market value of the land (as on the date of transaction) had been paid to the lessor at the inception of the lease and the company has transfer rights in respect of such lands.

(ii) Restrictions on Property, plant and equipment

Refer note 14 & 16 for information on charges created on property, plant and equipment.

(iii) Contractual commitments

Refer note 37 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(iv) Capital work-in-progress

Capital work-in-progress mainly comprises new manufacturing facility at Unit-1, Unit-3 at Greter Noida and Unit-4 at Supa Ahemad-nagar, in the process of being installed.

(v) Deemed cost

The company has availed exemption provided under Ind AS 101 first time adoption of indian accounting standards & considered the carrying value of property, plant & equipment measured under previous GAAP as the deemed cost as on 1st april 2016. Accordingly, the cost as on 1st april 2016, net of accumulated depreciation, has been considered as deemed cost.The information on gross block & accumulated depreciation as on 1st April 2016 is provided here under:-

(All amounts in ₹ lakhs, unless otherwise stated)

	Leasehold Land	Buildings	Plant and Equipments	Electric installation	Furniture and Fixtures	Vehicles	Office equipment	Total
Gross Block	508.48	5,357.37	12,506.92	486.77	135.96	428.68	133.37	19,557.55
Less : Accumulated Depreciation	38.39	805.36	3,589.73	212.10	58.63	187.16	101.29	4,992.66
Net Block (Deemed cost)	470.09	4,552.01	8,917.19	274.67	77.33	241.52	32.08	14,564.89

4. INTANGIBLE ASSETS

(All amounts in ₹ lakhs, unless otherwise stated)

	Office equipment	Total	Capital Work in Progress
Year ended 31 March 2017			
Gross carrying amount			
Deemed cost as at 1 April 2016	12.83	58.55	71.38
Additions	21.84	-	21.84
Closing gross carrying amount	**34.67**	**58.55**	**93.22**
Accumulated amortisation			
Amortisation charge for the year	6.15	10.03	16.18
Closing accumulated amortisation	**6.15**	**10.03**	**16.18**
Closing net carrying amount	**28.52**	**48.52**	**77.04**
Year ended 31 March 2018			
Gross carrying amount			
Opening gross carrying amount	34.67	58.55	93.22
Additions	14.47	-	14.47
Closing gross carrying amount	**49.14**	**58.55**	**107.69**
Accumulated amortisation			
Opening accumulated amortisation	6.15	10.03	16.18
Amortisation charge for the year	6.98	10.03	17.02
Closing accumulated amortisation	**13.13**	**20.07**	**33.20**
Closing net carrying amount	**36.01**	**38.48**	**74.49**

Notes:-

Deemed cost

The company has availed exemption provided under Ind AS 101 first time adoption of indian accounting standards & considered the carrying value of intangible assets measured under previous GAAP as the deemed cost as on 1st april 2016. Accordingly, the cost as on 1st april 2016, net of accumulated depreciation, has been considered as deemed cost.

The gross carrying amount and accumulated amortisation as on 1st April 2016 in respect of above intangible assets were Rs 129.74 lacs & ₹58.36 lacs respectively.

5. TRADE RECEIVABLES

Amount in ₹ Lakhs

	31st March, 2018		31st March, 2017		1st April, 2016	
	Current	Non-current	Current	Non-current	Current	Non-current
Trade receivables (at amortised cost)						
Unsecured, considered good	5,070.78	-	6,748.65	-	5,405.65	-
Doubtful	140.01	-	99.73	-	78.98	-
Less: Allowance for bad and doubtful debts	(140.01)	-	(99.73)	-	(78.98)	-
Total trade receivables	5,070.78	-	6,748.65	-	5,405.65	-

Reconciliation of loss allowance provision on trade receivables:

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017	1st April, 2016
Balance at beginning of the year	99.73	78.98	78.16
Additional provisions recognised	40.28	20.75	0.82
Amounts used during the year	-	-	-
Unused amounts reversed during the year	-	-	-
Balance at the end of the year	**140.01**	**99.73**	**78.98**

6. LOANS

Amount in ₹ Lakhs

	31st March, 2018		31st March, 2017		1st April, 2016	
	Current	Non-current	Current	Non-current	Current	Non-current
Loan to employees (at amortised cost)	17.55	-	21.62	-	15.30	-
- Unsecured, Considered Good	17.55	-	21.62	-	15.30	-

7. OTHER FINANCIAL ASSETS

Amount in ₹ Lakhs

	31st March, 2018		31st March, 2017		1st April, 2016	
	Current	Non-current	Current	Non-current	Current	Non-current
At amortised cost						
Unsecured, considered good						
Security deposits	0.50	188.60	60.32	141.44	60.32	121.55
Bill discounting margin	72.74	-	-	-	-	-
Fixed Deposits With Bank (original maturity more then one year)	-	31.09	-	-	-	-
Interest accrued on bank deposits	-	8.06	-	3.73	-	8.73
Interest accrued on Investment (ICD)	347.68	-	392.68	-	467.68	-
Interest accrued - Others	1.91	-	9.18	-	7.81	-
Others	2.81	-	10.09	-	7.28	-
Unsecured, considered dobtful						
Interest accrued on Investment (ICD)	120.00	-	75.00	-	-	-
less : Allowance for bad & doubtful debts (ICD)	(120.00)	-	(75.00)	-	-	-
Total other financial assets at amortised cost	**425.64**	**227.75**	**472.27**	**145.17**	**543.09**	**130.28**

8. DEFERRED TAX BALANCES

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017	1st April, 2016
Net Deferred Tax Assets	194.12	80.00	80.00
Net Deferred Tax Assets	194.12	80.00	80.00

Movement in deferred tax balances

(i) For the year ended 31 March 2018

Amount in ₹ Lakhs

	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Tax effect of items constituting deferred tax assets/ (liabilities)				
Liabilities and provisions tax deductible only upon payment/actual crystallisation				
- Employee benefits	18.71	25.65	4.21	48.57
- Carry forward losses and unabsorbed depreciation	1,935.55	330.66	-	2,266.20
Impairment provisions of financial/other assets made in books, but tax deductible only on actual write-off	68.39	50.52	-	118.92
Difference in carrying values of property, plant & equipment and intangible assets	(1,942.65)	(296.92)	-	(2,239.57)
Net deferred tax assets/(liabilities)	**80.00**	**109.91**	**4.21**	**194.12**

(ii) For the year ended 31 March 2017

Amount in ₹ Lakhs

	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Tax effect of items constituting deferred tax assets/ (liabilities)				
Liabilities and provisions tax deductible only upon payment/actual crystallisation				
- Employee benefits	109.97	(91.26)	-	18.71
- Carry forward losses and unabsorbed depreciation	1,740.61	194.94		1,935.55
Impairment provisions of financial/other assets made in books, but tax deductible only on actual write-off	37.44	30.95	-	68.39
Difference in carrying values of property, plant & equipment and intangible assets	(1,808.02)	(134.63)	-	(1,942.65)
Net deferred tax assets/(liabilities)	**80.00**	**-**	**-**	**80.00**

9. OTHER ASSETS

Amount in ₹ Lakhs

	31st March, 2018		31st March, 2017		1st April, 2016	
	Current	Non-current	Current	Non-current	Current	Non-current
Unsecured, considered good						
Capital advances-	-	494.51	-	233.87	-	120.71
Advances to suppliers	887.48	-	816.85	-	895.97	-
Advances for expenses	34.78	-	41.94	-	54.67	-
Balances due from Statutory Authorities	510.96	-	686.75	-	610.05	21.24
Prepaid expenses	121.00	7.04	68.08	9.34	54.33	-
Imprest to employees	2.19	-	1.38	-	0.92	-
	1,556.41	**501.55**	**1,615.00**	**243.21**	**1,615.94**	**141.95**
Unsecured, considered doubtful						
Advance to trade suppliers	69.88		38.17		27.32	
Capital Advances		10.42		8.43		6.93
Less: Provision for doubtful advance to suppliers and Capital Advances	69.88	10.42	38.17	8.43	27.32	6.93
	-	-	-	-	-	-
TOTAL OTHER ASSETS	**1,556.41**	**501.55**	**1,615.00**	**243.21**	**1,615.94**	**141.95**

10. INVENTORIES

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017	1st April, 2016
Raw materials & components [includes stock in transit ₹257.18 lacs as at 31st March2018 (31st March 2017: ₹429.62 lacs 1st April 2016: ₹31.52 lacs)]	3,970.20	5,396.52	3,491.00
Work-in-progress	1,353.13	429.84	651.74
Finished goods	557.48	443.64	403.55
Stores and spares	50.26	42.97	40.83
Total	**5,931.07**	**6,312.97**	**4,587.12**

(i) The mode of valuation of inventories has been stated in note 2 (k)

(ii) In view of the order-to-dispatch cycle being normally around twelve months, most of the inventories held are expected to be utilized/sold during the next twelve months. However, there may be some exceptions on account of unanticipated cases where the dispatch is held up due to reasons attributable to the customers, slow movement in spares and advance manufacture in anticipation of orders, but these are not expected to be of material amounts.

(iii) Refer Note no.14 & 16 for information on hypothecation created by state bank of india on entire stock including raw material, work in progress, finished goods, stock in transit and other stores & spare parts of unit-1,2 & 3 of the Company.

11. CASH AND BANK BALANCES

(a) Cash and cash equivalents

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017	1st April, 2016
At amortised cost			
Balances with banks			
- In current accounts	140.90	228.73	49.26
Cash on hand	14.03	7.23	7.61
Total cash and cash equivalents	**154.93**	**235.96**	**56.87**

(b) Bank balances other than cash and cash equivalents

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017	1st April, 2016
At amortised cost			
Earmarked balances with banks original maturity up to 12 months	257.88	186.49	794.25
Total bank balances other than cash and cash equivalents	**257.88**	**186.49**	**794.25**

12. SHARE CAPITAL

Amount in ₹ Lakhs

	31st March, 2018		31st March, 2017		1st April, 2016	
	Number of shares	Amount in ₹ Lakhs,	Number of shares	Amount in ₹ Lakhs,	Number of shares	Amount in ₹ Lakhs,
Authorised						
Equity shares of ₹10.00 each	25,000,000	2,500.00	25,000,000	2,500.00	25,000,000	2,500.00
	25,000,000	**2,500.00**	**25,000,000**	**2,500.00**	**25,000,000**	**2,500.00**
Issued, Subscribed And Fully Paid Up:						
Equity shares of ₹10.00 each	16,414,332	1,641.43	16,414,332	1,641.43	16,414,332	1,641.43
	16,414,332	**1,641.43**	**16,414,332**	**1,641.43**	**16,414,332**	**1,641.43**

(i) Movements in equity share capital

Amount in ₹ Lakhs

	31st March, 2018		31st March, 2017		1st April, 2016	
	Number of shares	Amount in ₹ Lakhs,	Number of shares	Amount in ₹ Lakhs,	Number of shares	Amount in ₹ Lakhs,
As at 1 April 2016	**16,414,332**	**1,641.43**	**16,414,332**	**1,641.43**	**16,414,332**	**1,641.43**
Movement during the year	-	-	-	-	-	-
As at 31 March 2017	**16,414,332**	**1,641.43**	**16,414,332**	**1,641.43**	**16,414,332**	**1,641.43**
Movement during the year	-	-	-	-	-	-
As at 31 March 2018	**16,414,332**	**1,641.43**	**16,414,332**	**1,641.43**	**16,414,332**	**1,641.43**

Terms and rights attached to equity shares

The company has only one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the company, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

(ii) Details of shareholders holding more than 5% shares in the company

	31st March, 2018		31st March, 2017		1st April, 2016	
	Number of shares	% Holding	Number of shares	% Holding	Number of shares	% Holding
Mr. Promod Gupta	4,016,166	24.47%	4,016,166	24.47%	4,016,166	24.47%
Mr. Anurag Gupta	1,514,222	9.22%	1,514,222	9.22%	1,514,222	9.22%
Mr. Vishal Gupta	2,075,012	12.64%	2,075,012	12.64%	2,075,012	12.64%
Mr. Vikas Gupta	2,070,722	12.62%	2,070,722	12.62%	2,070,722	12.62%

13. OTHER EQUITY

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017	1st April, 2016
Capital reserve	0.00	3.65	3.65
Securities premium	10,910.32	10,910.32	10,910.32
Retained earnings	530.56	(238.58)	(593.43)
	11,440.88	**10,675.39**	**10,320.54**

(i) Capital reserve

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017	1st April, 2016
Opening balance	3.65	3.65	22.57
Movement during the year*	(3.65)	-	(18.92)
Closing balance	0.00	3.65	3.65

* represents Central Capital Investment subsidy written off in respect of Roorkee Unit

(ii) Securities premium

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017	1st April, 2016
Opening balance	10,910.32	10,910.32	10,910.32
Movement during the year	-	-	-
Closing balance	10,910.32	10,910.32	10,910.32

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

(iii) Retained earnings

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017	1st April, 2016
Opening balance	(238.58)	(593.43)	(783.98)
Net profit for the year	748.50	336.18	190.55
Other comprehensive income arising from the remeasurement of defined benefit obligation net of income tax	20.64	18.67	-
Closing balance	**530.56**	**(238.58)**	**(593.43)**

(a) It represents undistributed profits of the Company which can be distributed by the Company to its equity shareholders in accordance with the requirements of the Companies Act, 2013.

(b) As required under Ind AS compliant Schedule III, the Company has recognised remeasurement of defined benefit plans (net of tax) as part of retained earnings.

14. NON-CURRENT BORROWINGS

Amount in ₹ Lakhs

	31st March, 2018		31st March, 2017		1st April, 2016	
	Current	Non-current	Current	Non-current	Current	Non-current
Secured- at amortised cost						
Term loans						
- From banks-Rupee						
- Working Capital Term Loan from SBI	455.00	-	600.00	605.00	500.00	1,205.00
- Term Loan from SBI	240.00	639.00	240.00	767.86	-	-
- Term Loan from SBI	120.00	1,729.99	-	-	-	-
- Term Loan from HDFC Bank	330.43	1,997.84	139.20	498.80	-	-
- Vehicle Loan from various Banks	32.35	31.12	38.36	63.47	21.13	22.02
- From Others-Rupee						
- Term Loan from Aditya Birla Finance Ltd.	40.30	122.42	35.55	162.93	-	-
- Loan against property from Religare Finvest Limited	-	-	49.74	673.35	43.84	723.09
- Vehicle loan from Cholamandalm Investment & Finance Ltd	10.67	3.28	14.96	13.94	6.89	7.49
- Vehicle loan from Tata Motors Finance Ltd	16.41	1.46	14.57	17.87	12.94	32.44
- Vehicle loan from Sundaram Finance Limited	5.37	9.04	-	-	-	-
Unsecured- at amortised cost						
Unsecured loans from directors	-	3,384.11	-	2,040.00	-	2,215.00
Deferred Payment against P&M	85.42	40.09	421.13	-	188.45	14.85
	1,335.95	7,958.35	1,553.51	4,843.22	773.25	4,219.89
Less: Amount disclosed under the head "Other financial liabilities current" (refer note 18)	1,335.95	-	1,553.51	-	773.25	-
Total non-current borrowings	-	7,958.35	-	4,843.22	-	4,219.89

14.1 Term Loan from State Bank of India

a.(i) WCTL from State Bank of India are secured by way of hypothecation of entire current assets including Raw material, Semi Finished Goods, Finished Goods, Book debts, advance payments, stock in transit, other current assets, cash margins of Unit1, 2 & 3 of the Company, factory land and Building situated at Plot no- P-4/2-4/5 and Plot No E-14/15, Site-B, UPSIDC Industrial Area, Surajpur, Greater Noida of Company & Personal guarantee of promoter directors i.e Mr. Promod Gupta, Mr. Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta;

a.(ii) Term loan from State Bank of India are secured by way of hypothecation of Plant and Machinery, Prefabricated building and other utilities acquired out of banks finance and Building situated at Plot no- P-4/2-4/5 and Plot No E-14/15, Site-B, UPSIDC Industrial Area, Surajpur, Greater Noida of the Company & Personal guarantee of promoter directors i.e Mr. Promod Gupta, Mr. Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta;

a.(iii) Term loan from State Bank of India are secured by way of hypothecation of Plant and Machinery, factory land situated at P-4/6 and F-20, Site-B, UPSIDC Industrial Area, Surajpur, Greater Noida of the Company & Personal guarantee of promoter directors i.e Mr. Promod Gupta, Mr. Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta;

b. Collateral Security:- Factory Land and Building situated at Plot no- P-4/2 - 4/6 & Plot No E-14 & E-15, Site-B, UPSIDC Industrial Area, Surajpur, Greater Noida of Company and Factory land and Building situated at Khasra No 268 & 275, Village Raipur, Roorkee, Haridwar, Uttarakhand, in the name of PG Electronics;

c. Third Party Guarantee of PG Electronics (Partnenrship Firm)

d. Outstanding working capital term loan as on 31 March 2018 is ₹455.00 lacs (as on 31 March 2017 is ₹1205.00 lacs & as on 31 March 2016 is Rs 1705.00 lacs) as on reporting date is repayable in monthly instalments @ 50.00 lacs in 2018-19 from Jul-18 to Feb-19 and balance ₹55.00 lacs in March 2019 alongwith interest;

e. Outstanding Term loan as on 31 March 2018 is ₹879.00 lacs (as on 31 March 2017 is ₹1007.86 lacs & as on 31 March 2016 is ₹ Nil) as on reporting date is repayable on monthly instalments of Rs 20.00 lacs till November 2021 alongwith Interest;

f. Outstanding Term loan as on 31 March 2018 is ₹1849.99 lacs (as on 31 March 2017 is ₹ NIL & 31 March 2016 is ₹ Nil) as on reporting date is repayable on monthly instalments of Rs 10.00 lacs in FY 2018-19, monthly instalments of ₹20.00 lacs in FY 2019-20 & 2020-21, monthly instalment of ₹30.00 lacs in FY 2021-22, monthly instalment of ₹35.00 lacs in FY 2022-23, monthly instalment of ₹40.00 lacs in FY 2023-24, till Feb 2024 and ₹30.00 lacs in March 2024 alongwith Interest;

14.2 Term Loan from HDFC Bank Limited

a. Term loans from HDFC Bank Limited are secured by way of exclusive charge over land, Building, at I-26 & I-27, Site-C, UPSIDC Industrial Area,Surajpur Greater Noida, U.P. & at A-20/2. MIDC Supa, District- Ahmednagar Maharastra. Term loan are also secured by way of exclusive charge on plant and machinery are acquired from their term loan which installed at PG-4 & PG-5. Personal Guarantee are also given by promoter directors i.e. Mr.Promod Gupta, Mr.Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta;

b. Outstanding term loan as on 31 March 2018 is ₹789.49 lacs (as on 31 March 2017 is Rs 638.00 lacs & as on 31 March 2016 is ₹ Nil) repayable in monthly instalments of Rs 18.36 lacs till October 2021 alongwith interest and is primarily secured by Plant & Machinery purchased out of the term loan;

c. Outstanding term loan as on 31 March 2018 is Rs 658.86 lacs (as on 31 March 2017 is Rs Nil & as on 31 March 2016 is ₹ Nil) repayable in monthly instalments of Rs 4.39 lacs till December 2024 alongwith interest and is primarily secured by Plant & Machinery purchased out of the term loan;

d. Outstanding term loan from HDFC includes loan against property taken over from Religare Finvest Limited as on 31 March 2018 is ₹879.92 lacs (as on 31 March 2017 is Rs Nil & as on 31 March 2016 is ₹ Nil) repayable in monthly instalments till May 2027 alongwith interest. The loan is primarily secured by way of exclusive charge over land & Building at A-20/2. MIDC Supa, District-Ahmendnagar Maharastra & Personal Guarantee of promoter directors i.e. Mr.Promod Gupta, Mr.Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta;

14.3 Term Loan from Aditya Birla Finance Limited (ABFL)

Term loan from ABFL for purchase of Plant & machinery is secured by;

a. Primary Security: Machineries purchased from the term loan;

b. Collateral Security : Exclusive charge on the Unit No.11, lobe-2, second floor currently known as 2211,second floor,Tower-a,The corenthum,plot no.A-41,Sector-62,Noida owned by TV Palace (Partnership firm) in which directors are partners;

c. Guaranteed by promoter directors i.e Mr. Promod Gupta, Mr. Anurag Gupta, Mr. Vishal Gupta & Mr. Vikas Gupta.

d. Outstanding term loan as on 31 March 2018 is Rs 162.28 lacs (as on 31 March 2017 is Rs 198.48 lacs & as on 31 March 2016 is ₹ Nil)

14.4 Unsecured loans from directors of ₹3384.11 lacs (previous year ₹2065.00 lacs) was given by directors on long term basis and are interest free.

14.5 Deferred payment against plant & machinery represents

a. the outstanding amount of ₹87.25 lacs (of USD 1.33 lacs) (Previous year ₹14.59 lacs) is repayable in 22 monthly instalements (21 instalements of USD .06 lcas and 22nd instalement of USD .07 lacs) in respect of plant & machineries purchased on credit without interest.

b. Outstanding amount of ₹38.25 lacs (Previous year ₹406.54 lacs) is repayable in 6 monthly instalments (5 monthly instalements each of ₹6.95 lacs and 6th instalment of ₹3.48 lacs) in respect of indigeneous plant & machineries purchased on credit without interest.

14.6 Vehicle loans: The terms of repayment and security of vehicle loan are as follows :

Amount in ₹ Lakhs

Name of the Bank/Others	ROI	Term Loan Outstanding			Repayment of Term Loan Outstanding	Nature of Security
		Saturday, March 31, 2018	Friday, March 31, 2017	Friday, April 1, 2016		
1. HDFC Bank Ltd.	8.80% to 10.90%	59.10	85.10	13.66	EMIs ranging from 5 months to 25 months	Secured by hypothecation of vehicle acquired under the respective vehicle loan
2. YES Bank Ltd.	11.15%	4.37	16.72	27.78	In EMIs of 4 months	
3. Axis Bank Ltd.	11.40%	-	-	1.72		
4. Cholamandalam Investment & Finance Ltd.	12.50%	13.94	28.91	14.39	In EMIs of 13 months	
5. Tata Motors Finance Limited	11.95%	17.87	32.44	45.38	In EMIs ranging from 6 to 18 months	
6. Sundram Finance Limited	11%	14.41	-	-	In EMIs of 30 months	
Total- Vehicle Loans		**109.69**	**163.17**	**102.93**		

15. PROVISIONS

Amount in ₹ Lakhs

	31st March, 2018		31st March, 2017		1st April, 2016	
	Current	Non-current	Current	Non-current	Current	Non-current
Provision for employee benefits						
Gratuity (refer note 32)	46.71	187.23	28.08	135.06	25.49	119.44
Compensated absences (refer note 32)	39.98	113.33	38.62	73.41	31.34	74.70
Total provisions	**86.69**	**300.56**	**66.70**	**208.47**	**56.83**	**194.14**

16. CURRENT BORROWINGS

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017	1st April, 2016
	Current	Current	Current
Secured- at amortised cost			
Repayable on demand			
- Cash Credit Limit from State Bank of India	787.55	1,579.78	1,707.06
- Overdraft from State Bank of India	69.55	421.28	215.63
	857.10	**2,001.06**	**1,922.69**
Unsecured- at amortised cost			
Bill discounting from banks			
- From HDFC Bank	1,911.02	1,998.61	999.87
- From Kotak Mahindra Bank	731.96	-	-
Bill discounting from others			
- From Aditya Birla Finance Ltd.		604.70	392.57
- From Tata Capital Financial Services Limited		142.95	-
Unsecured loans from Directors & their Relatives	60.00	25.91	22.43
	2,702.98	**2,772.17**	**1,414.87**
Total current borrowings	**3,560.08**	**4,773.23**	**3,337.56**

Cash Credit Limit from State Bank of India

a. CC Limits from State Bank of India are secured by way of hypothecation of entire current assets including raw material, Semi Finished, Finished Goods Book debts, advance payments, stock in transit, other current assets, cash margins of Unit 1, 2 & 3 of the Company;

b. Collateral Security : Factory Land and Building situated at Plot no- P-4/2 - 4/6 & Plot No E-14 & E-15, Site-B, UPSIDC Industrial Area, Surajpur, Greater Noida of Company and Factory land and Building situated at Khasra No 268 & 275, Village Raipur, Roorkee, Haridwar, Uttarakhand, in the name of PG Electronics;

c. Personal and third party Guarantee: Secured by Personal Guarantee of promoter directors i.e. Mr.Promod Gupta, Mr.Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta and guarantee of PG Electronics.

Overdraft Limit from State Bank of India

d. Overdraft from State Bank of India is secured against term deposits.

Bill discounting Limit

e. Bill discounting from HDFC Bank are guaranteed by promoter directors i.e Mr. Promod Gupta, Mr. Anurag Gupta, Mr. Vishal Gupta & Mr. Vikas Gupta.

f. Bill discounting from Kotak Mahindra Bank Ltd. (KMBL):-

   i. Primary Security: Master letter arrangement from SMR Automotives System India Ltd.

   ii. Personal Guarantee by promoter directors i.e Mr. Promod Gupta, Mr. Anurag Gupta, Mr. Vishal Gupta & Mr. Vikas Gupta.

g. Bill discounting liability of previous year towards Tata Capital Financial Services Limited (TCFSL) has been paid in FY 2017-18 and was discontinued.

h. Bill discounting liability of previous year towards Aditya Birla Finance Limited (ABFL) had been paid in FY 2017-18 and was discontinued.

17. TRADE PAYABLES

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017	1st April, 2016
Trade payables (at amortised cost)	4,755.64	5,760.66	4,469.62
Acceptances:			
Letter of Credit from State Bank of India	1,630.20	1,684.64	1,541.14
Foreign letter of credit from State Bank of India	109.53	-	225.02
Total	**6,495.37**	**7,445.30**	**6,235.78**
Trade payables (at amortised cost)			
- Total outstanding dues of micro,small,and medium enterprises (refer note 39)	135.80	84.74	162.95
- Total outstanding dues of creditors other than micro,small, and medium enterprises	6,359.57	7,360.56	6,072.83
Total	**6,495.37**	**7,445.30**	**6,235.78**

18. OTHER FINANCIAL LIABILITIES

Amount in ₹ Lakhs

	31st March, 2018		31st March, 2017		1st April, 2016	
	Current	Non-current	Current	Non-current	Current	Non-current
At amortised cost						
**Current maturities of long-term borrowings (refer note 14)	1,335.95	-	1,553.51	-	773.25	-
Interest accrued and due on borrowings	46.68	-	38.00	-	20.45	-
Capital creditors	330.45	-	154.48	-	154.13	-
Expenses creditors	608.00	-	301.99	-	273.42	-
Employee benefits & other dues payable	156.66	-	179.48	-	157.31	-
Security deposits	-	28.26	24.95	-	1.00	-
Advance for security Deposit	3.76	2.08	3.30	5.84	-	-
Total other financial liabilities	2,481.50	30.34	2,255.71	5.84	1,379.56	-

**Includes current maturities of deferred payment liabilities for purchase of machines on installment basis from domestic and foreign market.

19. OTHER CURRENT LIABILITIES

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017	1st April, 2016
Advance from customers	202.87	557.02	574.86
Expenses Payable	98.63	81.12	89.50
Statutory remittances			
- Excise duty payable on finished goods	-	49.04	40.62
- Service tax payable	-	5.31	3.92
- TDS payable	35.58	31.26	28.16
- TCS payable	0.15	0.08	0.08
- ESI Payable	3.70	3.04	3.47
- PF payable	23.03	22.83	19.46
- Ex Gratia Payable	41.23	42.25	41.30
- Bonus payable	119.00	118.00	81.65
- GST payable	277.93	-	-
- VAT payable	3.33	152.19	169.40
- Professional tax payable	0.39	0.35	0.31
Others	4.41	16.30	8.37
Total	**810.25**	**1,078.79**	**1,061.10**

20. INCOME TAX BALANCES

Amount in ₹ Lakhs

	31st March, 2018		31st March, 2017		1st April, 2016	
	Current	Non-current	Current	Non-current	Current	Non-current
Income tax assets						
Income Tax Refund due	362.10	-	145.49	241.27	324.58	-
	362.10	**-**	**145.49**	**241.27**	**324.58**	**-**
Income tax liabilities						
Provision for income tax	109.91	-	-	-	-	-
provision on other comprenshive income (OCI)	4.21	-	-	-	-	-
	114.12	**-**	**-**	**-**	**-**	**-**
Income tax assets (net)	**247.98**	**-**	**145.49**	**241.27**	**324.58**	**-**

21. REVENUE FROM OPERATIONS

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017
Sale of products		
Finished goods	38,169.23	38,306.73
Traded goods	2,736.43	2,135.84
Sale of services		
Job Work Charges	47.90	112.88
Repair Of Moulds	163.26	37.53
Other operating revenue:		
Sale of scrap	161.85	117.24
	41,278.67	**40,710.22**

Note.

Revenue from operations for periods up to 30 June 2017 includes excise duty of ₹1336.60 lacs (Previous year ₹4075.22 lacs). From 1 July 2017 onwards the excise duty and most indirect taxes in India have been replaced with Goods and ServiceTax (GST). The Company collects GST on behalf of the Government. Hence, GST is not included in Revenue from operations. In view of the aforesaid change in indirect taxes, Revenue from operations year ended 31 March 2018 is not comparable with 31 March 2017.

22. OTHER INCOME

Amount in ₹ Lakhs

		31st March, 2018	31st March, 2017
22.1	**Interest income:**		
	Interest income from bank deposits	16.44	30.21
	Interest income from financial liabilities at amortised cost	4.90	1.47
	Interest income from others	13.05	10.21
		34.39	41.89
22.2	**Other non-operating income (net of expenses directly attributable to such income):**		
	Rental income	167.81	74.62
	PSI Incentive 2007 from MIDC *	78.47	168.28
	Miscellaneous income	6.75	2.42
		253.03	245.32
	*The company was entitled to PSI incentive at Pune unit up to November 2017		
22.3	**Other gains/ (losses):**		
	Net foreign exchange rate fluctuation gains/(losses)	4.11	4.16
	Profit on sale of fixed assets	8.11	19.36
	Credit balances written back	220.13	2.72
	Others	11.28	-
		243.63	26.24
		531.05	313.45

23. COST OF MATERIAL CONSUMED

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017
Stock at the beginning of the year	4,966.89	3,459.48
Add: Purchases	30,850.12	29,492.19
Less: Discount received from suppliers	(105.33)	(67.99)
Less: Cost of goods traded	(2,470.72)	(1,779.69)
Less: Stock at the end of the year	(3,713.01)	(4,966.89)
	29,527.95	26,137.09

23.1 PURCHASE OF STOCK IN TRADE

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017
Purchase Of Stock In Trade	2,470.72	1,779.69
	2,470.72	1,779.69

24 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017
Inventories at the beginning of the year:		
Work-in progress	429.85	651.75
Finished goods	443.63	403.55
Total inventories at the beginning of the year	**873.48**	**1,055.30**
Inventories at the end of the year:		
Work-in progress	1,353.14	429.85
Finished goods	557.48	443.63
Total inventories at the end of the year	**1,910.62**	**873.48**
Add/(Less): Impact of excise duty on finished goods	(49.04)	8.42
Total changes in inventories of finished goods and work-in-progress	(1,086.18)	190.24

25. EMPLOYEE BENEFIT EXPENSES

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017
Salaries and wages	3,043.21	2,908.36
Contribution to provident and other funds (refer note 32)	162.87	150.67
Leave encashment (refer note no. 32)	54.03	42.93
Gratuity expense (refer note no.32)	106.03	67.37
Other employee benefits	124.92	118.35
	3,491.06	3,287.68

26. FINANCE COST

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017
Interest costs:		
Interest on borrowings		
- Interest to Bank	539.97	507.14
- Interest to Other	20.12	3.65
- Interest On Car Loan	14.00	11.06
Other interest expense	4.90	1.47
Other borrowing costs		
Processing/Renewal fees	485.59	466.69
	1,064.58	990.01

27. DEPRECIATION AND AMORTIZATION EXPENSES

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017
Depreciation of property, plant and equipment (refer note 3)	1,156.61	1,042.02
Amortisation of intangible assets (refer note 4)	17.02	16.18
	1,173.63	1,058.20

28. OTHER EXPENSES

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017
Stores, spares and tools consumed	186.59	197.86
Power and fuel	1,167.10	1,148.85
Sub-contracting expenses	278.56	277.24
Freight and forwarding charges	545.83	508.95
Hiring charges of machinery , DG set	0.69	2.43
Rent and hire charges	31.84	17.00
Rates and taxes	33.71	25.71
Insurance	31.64	22.03
Repairs and maintenance:		
Machinery	157.14	270.55
Building	11.09	16.06
Others	24.17	26.60
Travelling and conveyance	89.11	104.84
Vehicle running & maintenance	48.61	58.81
Communication costs	24.69	24.41
Printing and stationery	12.77	13.15
Security Guard expenses	97.95	65.73
Legal and professional fees	69.56	110.23
Provision for doubtful debts & advances	118.98	108.10
Payment to auditor (Refer details below Note-28.1)	18.07	14.65
Payment to cost auditor	3.00	3.00
Directors sitting fees	6.10	4.80
Loss on sale of property, plant and equipment	6.92	4.08
Late delivery charges paid to customers	-	9.19
Misc. Balance Written off	18.80	11.29
Miscellaneous expenses	99.94	123.80
	3,082.86	3,169.36

28.1 Detail of payment to auditors

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017
Audit fee	3.90	3.27
Tax audit fee	0.80	0.78
Limited review fee	9.60	9.96
Others	3.77	0.64
	18.07	14.65

29. INCOME TAX EXPENSES

29.1 Income tax recognised in profit & loss

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017
Current tax:		
In respect of the current year	109.91	-
In respect of the prior years	-	-
Total current tax expense	109.91	-
Deferred tax:		
In respect of current year origination and reversal of temporary differences	(109.91)	-
In respect of prior years	-	-
Total deferred tax expense	(109.91)	-
Total income tax expense recognised in profit & loss	-	-

Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017
Profit before tax from continuing operations	748.50	336.18
Less - balance unaborsbed Depreciation adjusted	209.42	336.18
	539.08	-
Income tax expense calculated @ 20.39%- MAT tax Rate	109.91	-
	109.91	-
Effective Tax Rate	14.68%	0.00%

29.2 Income tax recognised in other comprehensive income

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017
Deferred tax related to items recognised in other comprehensive income during the year:		
Remeasurement of defined benefit obligations	4.21	3.81
Total income tax expense recognised in other comprehensive income	4.21	3.81
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will not be reclassified to profit & loss	4.21	3.81
Items that may be reclassified to profit & loss	-	-
Total income tax expense recognised in other comprehensive income	4.21	3.81

30. EARNINGS PER SHARE

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017
Profit for the year attributable to owners of the Company	769.14	354.85
Weighted average number of equity shares for the purposes of basic EPS/diluted EPS	164.14	164.14
Basic earnings per share (face value of ₹10 per share)	4.69	2.16
Diluted earnings per share (face value of ₹10 per share)	4.69	2.16

31 SEGMENT INFORMATION

Operating segment are defined as components of the company about which seperate financial information is available that is evaluated regularly by the chief operating decision-maker, or decision- making company, in deciding how to allocate resources and in assessing performance. The Company primarily operates in one business segment- Consumer Electronic Goods and Components.

The Company is domiciled in India and all its non-current assets are located in/relates to India except capital advances of ₹106.73 lacs as at 31 March 2018 (31 March 2017 is ₹23.47 lacs & 01 April 2016 is ₹12.91 lacs)

The amount of Company's revenue from external customers based on geographical area and nature of the products/ services are shown below:

Revenue by geographical area

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017
India	41,278.28	40,710.22
Rest of World	0.39	-
	41,278.67	40,710.22

Revenue by nature of products / services (refer note 21)

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017
Sale of products (including excise duty):		
Finished goods	38,169.23	38,306.73
Traded goods	2,736.43	2,135.84
Sale of services :		
Job Work Charges	47.90	112.88
Repair Of Moulds	163.26	37.53
Other operating revenue :		
Sale of scrap	161.85	117.24
	41,278.67	40,710.22

There is one customer who has contributed 10% or more to the Company's revenue for both the years ended 31 March 2018 and 31 March 2017 for which revenue details are as under:

LG Electronics india Pvt Limited	19,865.10	18,594.96

32 EMPLOYEE BENEFIT PLANS

(i) Defined contribution plans:

(a) The Company operates defined contribution retirement benefit plans under which the Company pays fixed contributions to Employees Providend Fund Orgnisation, Ministry of Labour & Employment,Government of India.The Company has no further payment obligations once the contributions have been paid. Following are the schemes covered under defined contributions plans of the Company:

Provident Fund Plan & Employee Pension Scheme: The Company makes monthly contributions at prescribed rates towards Employee Provident Fund and Employee Pension Scheme fund administered and managed by Ministry of Labour & Employment,Government of India.

Employee State Insurance: The Company makes prescribed monthly contributions towards Employees State Insurance Scheme and payment made to Employee State Insurance Corporation, Ministry of Labour & Employment,Government of India.

(b) The expense recognised during the period towards defined contribution plans are as follows:

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017
Company's contribution to Provident Fund	125.50	112.80
Administrative charges on above	7.22	8.01
Company's contribution to Employee State Insurance Scheme	30.15	29.86
	162.87	150.67

(ii) Defined benefit plans

(a) The Company provides for gratuity obligations through a defined benefit retirement plan (the 'Gratuity Plan') covering all company employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement termination of employment or death of an employee, based on the respective employees' salary and years of employment with the Company.

(b) Risk exposure

i) Risk to the beneficiary

The greatest risk to the beneficiary is that there are insufficient funds available to provide the promised benefits. This may be due to:

- The insufficient funds set aside, i.e. underfunding
- The insolvency of the Employer
- The holding of investments which are not matched to the liabilities
- Or a combination of these events"

ii) Risk Parameter

Actuarial valuation is done basis some assumptions like salary inflation,discount rate and withdrawal assumptions.In case the actual experience varies from the assumptions,fund may be insufficient to pay off the liabilities. Similarly, reduction in discount rate in subsequent future years can increase the plan's liability.Further,actual withdrawals may be lower or higher then what was assumptions the valuation,may also impact the plan's liability.

iii) Risk of illiquid Assets

Another risk is that the funds,although sufficient,are not available when they are required to finance the benefits.This may be due to assets being locked for longer period or in illiquid assets.

iv) Risk of Benefit Change

There may be a risk that the benefit promised is changed or is changeable within the terms of the contract.

v) Asset liability mismatching risk

ALM risk arises due to a mismatch between assets and liabilities either due to liquidity or changes in interest rates or due to different duration.

(c) The significant actuarial assumptions used for the purposes of the actuarial valuation of gratuity and leave encashment were as follows:

Amount in ₹ Lakhs

	GRATUITY		LEAVE ENCASHMENT	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Discounting rate	7.54%	6.80%	7.54%	6.80%
Future salary growth rate	10.00%	10.00%	10.00%	10.00%
Life expectancy/ Mortality rate*	100% of IALM 2006-08	100% of IALM 2006-08	100% of IALM 2006-08	100% of IALM 2006-08
withdrawal rate	5.00%	5.00%	5.00%	5.00%
Method used	Projected unit credit Actuarial method	Projected unit credit Actuarial method	Projected unit credit Actuarial method	Projected unit credit Actuarial method

* Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics (i.e. IALM 2006-08 Ultimate). These assumptions translate into an average life expectancy in years at retirement age.

(d) Amounts recognised in statement of profit & loss in respect of defined benefit plan (Gratuity Plan & leave encashment) are as follows:

Amount in ₹ Lakhs

	GRATUITY		LEAVE ENCASHMENT	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Current service cost	94.93	56.35	44.79	41.25
Net interest expense	11.10	11.02	7.62	8.06
Remeasurement-Actuarial loss/(gain)	-	-	1.62	(6.38)
Components of defined benefit costs recognised in profit or loss	106.03	67.37	54.03	42.93
Remeasurement on the net defined benefit liability:				
Return on plan assets (excluding amount included in net interest expense)	0.53	2.71	-	-
Actuarial (gain)/ loss arising form changes in financial assumptions	(23.53)	23.58	-	-
Actuarial (gain) / loss arising form changes in demographic assumptions	-	(13.65)	-	-
Actuarial (gain) / loss arising form experience adjustments	2.36	(31.31)	-	-
Components of defined benefit costs recognised in other comprehensive income	(20.64)	(18.67)	-	-
Total	**85.39**	**48.70**	**54.03**	**42.93**

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit & loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

(e) Amounts included in the balance sheet arising from the entity's obligation in respect of its defined benefit plan (Gratuity Plan & leave encashment) is as follows:

Amount in ₹ Lakhs

	GRATUITY		LEAVE ENCASHMENT	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Present value of defined benefit obligation as at the end of the year	302.02	228.16	153.31	112.04
Fair value of plan assets	68.08	65.02		
Funded status	(233.94)	(163.14)	(153.31)	(112.04)
Net asset/(liability) arising from defined benefit obligation				
recognised in the balance sheet				
	(233.94)	(163.14)	(153.31)	(112.04)

(f) Movement in the present value of the defined benefit obligation (Gratuity Plan obligation & leave encashment) are as follows:

Amount in ₹ Lakhs

	GRATUITY		LEAVE ENCASHMENT	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Present value of defined benefit obligation at the beginning of the year	228.16	187.08	112.04	106.05
Expenses recognised in profit and loss account:				
Current Service Cost	94.93	56.35	44.79	41.25
Interest Expense (Income)	15.52	14.22	7.62	8.06
Remeasurement-Actuarial loss/gain	-	-	1.62	(6.38)
Remeasurement gains / (losses) recognised in other comprehensive income:				
Actuarial Gain (Loss) arising from:				
i. Demographic Assumptions	-	(13.65)	-	-
ii. Financial Assumptions	(23.53)	23.58	-	-
iii. Experience Adjustments	2.36	(31.31)	-	-
Benefit paid	(15.42)	(8.11)	(12.76)	(36.94)
Present value of defined benefit obligation at the end of the year	302.02	228.16	153.31	112.04

(g) Movement in the fair value of plan assets are as follows:

Amount in ₹ Lakhs

	GRATUITY		LEAVE ENCASHMENT	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Fair value of plan assets at the beginning of the year	65.02	42.16	-	-
Expenses recognised in profit and loss account				
Expected return on plan assets	3.89	0.49	-	-
Remeasurement gains / (losses) recognised in other comprehensive income				
Actual Return on plan assets in excess of the expected return	14.59	30.48	-	-
Contributions by employer			12.76	36.94
Benefit payments	(15.42)	(8.11)	(12.76)	(36.94)
Fair value of plan assets at the end of the year	68.08	65.02	-	-

The major category of plan assets for gratuity as a percentage of fair value of total plan assets are as follows-

Amount in ₹ Lakhs

	2017-18	2016-17
Fund managed by the insurer.	100%	100%

(h) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weigheted principal assumptions is:

Amount in ₹ Lakhs

	Change in Assumptions	Effect on Gratuity Obligation	Change in Assumptions	Effect on Leave Encashment
For the year ended March 31, 2017	0.50%	(11.81)	0.50%	(5.93)
Discount Rate	-0.50%	12.98	-0.50%	6.50
	1%	22.18	1%	12.83
Salary Growth Rate	-1%	(19.27)	-1%	(10.98)
	5.00%	(20.54)	5.00%	(10.16)
withdrawal rate	-5.00%	45.62	-5.00%	21.08
For the year ended March 31, 2018	0.50%	(14.23)	0.50%	(7.33)
Discount Rate	-0.50%	15.55	-0.50%	7.99
	1%	26.95	1%	15.83
Salary Growth Rate	-1%	(23.05)	-1%	(13.66)
	5.00%	(16.77)	5.00%	(9.42)
withdrawal rate	-5.00%	37.19	-5.00%	18.68

33. CAPITAL MANAGEMENT

For the purpose of Capital Management, Capital includes net debt and toal equity of the Company. The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017	1st April, 2016
Non-current borrowings (note 14)	7,958.35	4,843.22	4,219.89
Current borrowings (note 16)	3,560.08	4,773.23	3,337.56
Current maturities of long term borrowings (note 14)	1,335.95	1,553.51	773.25
Total debts (A)	12,854.38	11,169.96	8,330.71
Less: Cash and cash equivalent (note 11(a))	(154.93)	(235.96)	(56.87)
Net Debt (A)	12,699.45	10,933.99	8,273.84
Total equity (note 12 & note 13) (B)	13,082.31	12,316.82	11,961.97
Gearing ratio (A/B)	97.07%	88.77%	69.17%

Further, no changes were made in the objectives, policies or process for managing capital during the years ended 31 March 2018 and 31 March 2017.The Company is not subject to any externally imposed capital requirements.

34. FINANCIAL RISK MANAGEMENT

The Company's principal financial liabilities, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company's financial assets comprise loan and other receivables, trade and other receivables, cash, and deposits that arise directly from its operations.

The Company's activities expose it mainly to market risk, liquidity risk and credit risk. The monitoring and management of such risks is undertaken by the senior management of the Company and there are appropriate policies and procedures in place through which such financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. . It is the Company policy not to carry out any trading in derivative for speculative purposes.

(i) Credit risk

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities, primarily trade receivables. The credit risks in respect of deposits with the banks, foreign exchange transactions and other financial instruments are only nominal.

The customer credit risk is managed subject to the Company's established policy, procedure and controls relating to customer credit risk management. In order to contain the business risk, prior to acceptance of an order from a customer, the creditworthiness of the customer is ensured through scrutiny of its financials, if required, market reports and reference checks. The Company remains vigilant and regularly assesses the financial position of customers during execution of contracts with a view to limit risks of delays and default. Further, in most of the cases, the Company normally allow credit period of 30-90 days to all customers which vary from customer to customer except mould & dies business. In case of mould & dies business, advance payment is taken before start of execution of the order. In view of the industry practice and being in a position to prescribe the desired commercial terms, credit risks from receivables are well contained on an overall basis.

The impairment analysis is performed on each reporting period on individual basis for major customers. Some trade receivables are grouped and assessed for impairment collectively. The calculation is based on historical data of losses, current conditions and forecasts and future economic conditions. The Company's maximum exposure to credit risk at the reporting date is the carrying amount of each financial asset as detailed in note 5, 6 and 7.

The trade receivables position is provided here below:

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017	1st April, 2016
Total receivables (note 5)	5,070.78	6,748.65	5,405.65
Receivables individually in excess of 10% of the total receivables	2,667.69	3,897.49	3,328.30
Percentage of above receivables to the total receivables of the Company	52.61%	57.75%	61.57%

(ii) Liquidity risk

The Company uses liquidity forecast tools to manage its liquidity. The Company is able to organise liquidity through own funds and through working capital loans.The Company has good relationship with its lenders, as a result of which it does not experience any difficulty in arranging funds from its lenders. Table here under provides the current ratio of the Group as at the year end

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017	1st April, 2016
Total current assets	13,662.24	15,738.45	13,342.80
Total current liabilities	13,433.89	15,619.73	12,070.84
Current ratio	1.02	1.01	1.11

Maturities analysis of financial liabilities:

The table below provides details regarding the contractual maturity of financial liabilities :

Amount in ₹ Lakhs

	on demand	< 1 year	1-3 year	3-5 year	More than 5 years	Total Amount
As at 31 March 2018						
Borrowings	3,560.08	1,335.95	1,948.60	1,522.54	4,487.21	12,854.38
Trade payable		6,495.37				6,495.37
other financial liabilities		2,481.50	30.34			2,511.83
	3,560.08	**10,312.81**	**1,978.94**	**1,522.54**	**4,487.21**	**21,861.58**
As at 31 March 2017						
Borrowings	4,773.23	1,553.51	1,662.14	743.33	2,437.75	11,169.96
Trade payable		7,445.30				7,445.30
other financial liabilities		2,255.71	5.84			2,261.55
	4,773.23	**11,254.52**	**1,667.98**	**743.33**	**2,437.75**	**20,876.80**
As at 1 April 2016						
Borrowings	3,337.56	773.25	1,386.54	138.16	2,695.20	8,330.71
Trade payable		6,235.78				6,235.78
other financial liabilities		1,379.56				1,379.56
	3,337.56	**8,388.59**	**1,386.54**	**138.16**	**2,695.20**	**15,946.06**

(iii) Market risk

The Company is exposed to following key market risks:

a) Interest rate risk on loans and borrowings

b) Commodity price risk

c) Other market risk

(a) Interest rate risk

Most of the borrowings availed by the Company are subject to interest on floating rate of basis linked to the base rate or MCLR (marginal cost of funds based lending rate). In view of the fact that the total borrowings of the Company are quite substantial, the Company is exposed to interest rate risk.

The above strategy of the Company to opt for floating interest rates is helpful in declining interest scenario. Further, most of the loans and borrowings have a prepayment clause through which the loans could be prepaid with pre payment premium. The said clause helps the Company to arrange debt substitution to bring down the interest costs or to prepay the loans out of the surplus funds held.While adverse interest rate fluctuations could increase the finance cost, the total impact, in respect of borrowings on floating interest rate basis.

(b) Commodity price Risk

Commodity price risk is the risk that future cash flow of the Company will fluctuate on account of changes in market price of key raw materials. The Company is exposed to the movement in the price of key raw materials in domestic and international markets. the company has in place policies to manage exposure to fluctuation in the prices of the key raw materials used in operations.

(c) Other Market risk

Other market risk include foreign currency risk, which is the risk that the fair value or future cash flow of an exposure will fluctuate because of changes in foreign exchange rates the company transact business primarily in indian ruppes and USD. The Company has foreign currency trade payables and is therefore exposed to foreign exchange risk.

35 Related party disclosures (as identified and certified by the management)

Pursuant to compliance of Ind AS 24 "Related Party Disclosures", the relevent information is provided here below:

(a) Related Party where control exists

i) Mr. Promod Gupta, Chairman & Managing Director (Key Management Person)

(b) The Details of related parties with whom transactions have taken place during the year:

i) Key Management Personnel (Group A)

- Mr. Promod Gupta, Chairman & Managing Director (PG)	- Mr. Vikas Gupta, Executive Director (VKG)
- Mr. Vishal Gupta, Executive Director (VSG)	- Mr. Anurag Gupta, Executive Director (AG)
- Mr. Krishn Avatar Khandelwal, Chief Financial Officer	- Mr. Rahul Kumar, Company Secretary

ii) Relatives of Key Management Personnel (Group B)

- Mrs. Sudesh Gupta (SG1 - Wife of Mr. Promod Gupta)	Mrs. Sarika Gupta (SG Wife of Mr. Vishal Gupta)
- Mrs. Neelu Gupta (NLG Wife of Mr. Anurag Gupta)	Mr Pranav Gupta (PG1 son of Mr.Anurag Gupta)
- Mrs. Nitasha Gupta (NTG Wife of Mr. Vikas Gupta)	

iii) Companies/ Parties in which Key Management Personnel or their relatives have substantial interest / significant influence (Group C)

S.No.	Name of the party	S.No.	Name of the party
1	M/s Promod Gupta -Proprietor	4	Pramod Gupta & Sons (HUF)
2	PG International	5	PG Electronics
3	J. B. Electronics	6	PG Infotel Pvt. Ltd.

(All amounts in ₹ lakhs, unless otherwise stated)

S.No.	Nature of Transaction	Year	Group A						Group B					Group C					Total
			Mr. Promod Gupta	Mr. Vishal Gupta	Mr. Vikas Gupta	Mr. Anurag Gupta	Mr. Krishn Avatar Khandelwal	Mr. Rahul Kumar	Mrs. Sarika Gupta	Mrs. Nitasha Gupta	Mrs. Neelu Gupta	Mrs. Sudesh Gupta	Mr. Pranav Gupta	M/s Promod Gupta -Proprietor	PG International	J. B. Electronics	PG Electronics	PG Infotel Pvt Ltd.	
1	Rent Received	2017-18	-	-	-	-			-	-	-	-	-	-	-	-	-	3.22	3.22
		2016-17	-	-	-	-			-	-	-	-	-	-	-	-	-	18.80	18.80
2	Purchase	2017-18	-	-	-	-			-	-	-	-	-	-	-	-	-	5.98	5.98
		2016-17																	-
3	Rent Paid	2017-18	-	0.15	-	-			-	-	-	16.20	-	-	-	-	0.60	-	16.95
		2016-17		0.15								16.20					0.60		16.95
4	Reimbursement of Expenses	2017-18	-	-	-	-	3.61	-	-	-	-	-	-	-	-	-	-	-	3.61
		2016-17					7.54	0.08											7.62
5	Advance against Purchase of Land	2017-18	-	-	-	-			-	-	-	-	-	-	-	-	-	-	-
		2016-17												77.00					77.00
6	Purchase of Fixed Asset	2017-18	-	-	-	-			-	-	-	-	-	-	-	-	-	99.01	99.01
		2016-17																	-
7	Rent Security Paid	2017-18	-	-	-	-			-	-	-	-	-	-	-	-	-	-	-
		2016-17																	-
8	Rent Security Received Back	2017-18	-	-	-	-			-	-	-	-	-	-	-	-	-	-	-
		2016-17																	-
9	Loan Taken	2017-18	122.00	653.50	762.50	725.00			-	-	-	-	-	-	-	-	-	-	2,263.00
		2016-17	102.00	155.00	105.00	50.00													412.00
10	Loan Repayment	2017-18	471.20	85.40	176.50	151.70			-	-	-	-	-	-	-	-	-	-	884.80
		2016-17	266.14	180.63	100.25	36.50													583.52
11	Remuneration	2017-18	72.66	72.66	72.66	72.66	15.18	5.51	-	-	-	-	-	-	-	-	-	-	311.32
		2016-17	54.48	54.48	54.48	54.48	22.01	4.34											244.28
12	Salary to Relatives	2017-18	-	-	-	-			29.40	29.40	29.40	29.40	9.00	-	-	-	-	-	126.60
		2016-17							27.51	27.51	27.51	27.51	1.50						111.53
13	Leave Encashment *	2017-18	2.83	2.83	2.83	2.78	0.59	0.07	1.16	1.15	1.11	1.14	0.48	-	-	-	-	-	16.97
		2016-17																	-
14	Gratuity *	2017-18	9.31	5.38	5.38	5.95	-	0.31	3.39	3.60	4.88	1.84	0.33	-	-	-	-	-	40.38
		2016-17																	-

* As per acturial valuation report

Outstanding balances as on 31-03-2018

S.No.	Nature of Transaction	Year	Mr. Promod Gupta	Mr. Vishal Gupta	Mr. Vikas Gupta	Mr. Anurag Gupta	Mr. Krishn Avatar Khandelwal	Mr. Rahul Kumar	Mrs. Sarika Gupta	Mrs. Nitasha Gupta	Mrs. Neelu Gupta	Mrs. Sudesh Gupta	Mr. Pranav Gupta	M/s Promod Gupta -Proprietor	PG International	J. B. Electronics	PG Electronics	PG Infotel Pvt Ltd.	Total
1	Loan Payable	2017-18	860.96	861.39	860.36	861.40													3,444.11
		2016-17	1,210.16	293.29	274.36	288.10													2,065.91
		1st April 2016	1,374.30	318.92	269.61	274.60													2,237.43
2	Payable	2017-18		-											6.65	28.71	-	25.81	61.17
		2016-17		0.08											6.65	40.31	0.22	-	47.25
		1st April 2016												0.07	9.00	43.08			52.14
3	Receivable/ Debtors	2017-18																-	-
		2016-17																0.26	0.26
		1st April 2016															0.08		0.08

(c) Remuneration of key managerial personnel

Amount in ₹ Lakhs

Particulars	31st March, 2017	31st March, 2017
Short term Employee benefits	323.25	244.28
Post employment benefits	26.33	-
Total	349.57	244.28

36 FAIR VALUE MEASUREMENTS

36.1 Financial instruments by category

Amount in ₹ Lakhs

	31st March, 2018		31st March, 2017		1st April, 2016	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets at amortised cost						
Fixed deposits with banks (Non Current)	31.09	31.09	-	-	-	-
Cash and bank balances	412.81	412.81	422.45	422.45	851.12	851.12
Trade and other receivables	5,070.78	5,070.78	6,748.65	6,748.65	5,405.65	5,405.65
Loans (current)	17.55	17.55	21.62	21.62	15.30	15.30
Other financial assets (Non Current)	196.66	196.66	145.17	145.17	130.28	130.28
Other financial assets (Current)	425.64	425.64	472.27	472.27	543.09	543.09
Financial liabilities at amotised cost						
Borrowings (Non Current)	7,958.35	7,958.35	4,843.22	4,843.22	4,219.89	4,219.89
Borrowings (Current)	3,560.08	3,560.08	4,773.23	4,773.23	3,337.56	3,337.56
Trade & other payables	6,495.37	6,495.37	7,445.30	7,445.30	6,235.78	6,235.78
Other financial liabilities (Non current)	30.34	30.34	5.84	5.84	-	-
Other financial liabilities (Current)	2,481.50	2,481.50	2,255.71	2,255.71	1,379.56	1,379.56

There is no financial instrument which is designated as FVTPL

36.2 Fair value hierarchy

The Company uses the following hierarchy for fair value measurement of the company's financials assets and liabilities:

Level 1: Quoted prices/NAV (unadjusted) in active markets for identical assets and liabilities at the measurement date.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3:

Amount in ₹ Lakhs

	Levels	Valuation Techniques and Key inputs	3/31/2018	3/31/2017	4/1/2016
			Carrying Value	Carrying Value	Carrying Value
Financial Assets at amortised cost					
Other Financial Assets	Level-3	Discounted cash flow method	196.66	145.17	130.28
Loans	Level-3	Discounted cash flow method	17.55	21.62	15.30
Financial Liabilities at amortised cost					
Borrowings (Non Current)	Level-3	Discounted cash flow method	7,958.35	4,843.22	4,219.89
Borrowings (Current)	Level-3	Discounted cash flow method	3,560.08	4,773.23	3,337.56
Other Financial Liabilites (Non Current)	Level-3	Discounted cash flow method	30.34	5.84	-

During the year ended 31.03.2018 and 31.03.2017 there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements

Fair valuation techniques

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values:

1) Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

2) Borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values.

37. COMMITMENTS

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017	1st April, 2016
Estimated amount of contracts remaining to be executed on Capital account and not provided for (Net of advances)	1,110.97	55.68	127.73

38. CONTINGENT LIABILITIES

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017	1st April, 2016
Contingent liability (to the extent not provided for)			
Claims against the company not acknowledged as debts (excluding interest & penalty)			
a) Central Excise (FY 2008-09 to 2011-12) {see note (i) below}	765.73	765.73	765.73
b) Other Central excise & service tax matters	-	10.25	-
c) Anti Dumping Duty [see note (ii) below]	738.54	738.54	738.54
d) SEBI in the matter of IPO-Penalty Order Passed for which appeal is pending at SAT (Penalty only) [see note (iii) below]	100.00		
Total	**1,604.27**	**1,514.52**	**1,504.27**

i) Excise department has issued show cause notice dated 22nd Dec.,2011 for Rs 765.73 lacs in respect of CTV sold to ELCOT,Tamilnadu (a Govt. of Tamil Nadu undertaking) during the period Feb 09 to Oct 2011 for free distribution by the state Govt to poor section of the people by paying excise duty on the basis of value determined under section 4A instead of determining the value under section 4 of the Central Excise Act,1944.The department has the contention that sale is institutional sale & valuation based on MRP under Section 4A is not applicable to the sale to ELCOT. The appeal made by the Company was allowed by the CESTAT ,New Delhi vide order dated 12th March,2014. However the excise department has filed the appeal with Supreme Court,which has been admitted by the Supreme Court on 5th Jan.,2015 by condoning the delay in filing the appeal. this matter was last time listed on 02/01/2017. Case is pending befor Supreme Court for final decision.

ii) The Directorate of Revenue Intelligence (Delhi Zonal Unit),New Delhi of Custom Department had conducted a search on 8.03.2011 and issued show cause notice (SCN) no. 29/2015 dated 29.05.2015 (received on 2.06.2015) mentioning why Anti-Dumping Duty of Rs 738.54 lacs excluding interest & penalty should not be levied in respect of import of Colour Picture Tubes (CPT) from M/s Chungwa Picture Tubes, Malasiya during the period of May 2010 to Dec 2010.The Company has deposited Rs 145.00 lacs during the year 2010-11 & 2011-12 under protest. The Delhi High court has quashed the show cause notices in similar cases named as Mangli Impex Ltd & others. Accrodingly the Company has filed the writ Petition before Delhi High Court to quash the show cause notice. Delhi High Court has directed the matter to Principal Comissioner ,Custom, Dadri to adjuducat the matter in the light of judgment given in Mangli Impex Ltd. The Delhi High court order has been stayed by Supreme Court. Accordingly ,the Principal Commissioner Customs has passed an order dated 28.02.2017 confirming the demand of Rs 738.54 lacs along with interest and penalty. The compnay has filled an appeal before CESTAT Allahabad Bench on 01.06.2017 and hearing is awaited in this matter.

iii) In matter of IPO of the Company in 2011, Adjudicating officer of SEBI has passed an order on 2nd August 2017, vide which they have imposed monetary penalty of ₹100.00 lacs on the Company & Rupees One Crore on each of four promoter Directors. The Company has filed an appeal before SAT. The matter is pending for hearing.

39. DISCLOSURES REQUIRED UNDER SECTION 22 OF THE MICRO,SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

Based on the intimation received by the Company from from its suppliers regarding their status under the Micro,Small and Medium Enterprises Development Act, 2006, the relavant information is provided here below:

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017	1st April, 2016
The principle amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year; as at the end of the year			
(i) Principal Amount	135.80	84.74	162.95
(ii) Interest due on above	-	-	-
The amount of interest paid by the buyer in terms of section 16 of Micro, Small and Medium Enterprises Devlopment Act,2006, along with the amount of the payment made to the suppliers beyond the appointed day during each accounting year.	-	-	-
The amount of interest due and payable for the year on delay in making payment (which have been paid but beyond the appointed day during the year) but wihout adding the interest specified under the Micro, Small and Medium Enterprises Devlopment Act,2006,	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	-
The amount of further interest remaining due and payable even in the succeeding years,until such date when the interest due above are actually paid to the Small enterprise, for the purpose of disallowances of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Devlopment Act,2006,	-	-	-

40 FIRST TIME ADOPTION OF IND AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet as at 1 April 2016 (the transition date). In preparing its opening Ind AS balance sheet, the Company has made adjustments to the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provision of the Act (previous GAAP or Indian GAAP). Further, in view of the classification of current and non-current items adopted in accordance with the criteria specified in Ind AS 1 Presentation of Financial Statements the corresponding figures of the previous years have been appropriately reclassified wheresoever necessary. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

A.1.1 Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

A.1.2 Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material.

The Company has elected to apply this exemption for such contracts/ arrangements.

A-2 Ind AS mandatory exceptions

A.2.1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP (after adjustments to reflect any difference in accounting policies) apart from certain new estimates that were not required under previous GAAP.

A.2.2 De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

A.2.3 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets in terms of whether they meet the amortised cost criteria or the fair value criteria based on the facts and circumstances that existed as of the transition date and the Company has followed the same.

A.2.4 Fair value of financial assets and liabilities

The Company has financial receivables and payables that are non-derivative financial instruments. Under previous GAAP, these were carried at transactions cost less allowances for impairment, if any. Under Ind AS, these financial assets and liabilities are initially recognised at fair value and subsequently measured at amortised cost, less allowance for impairment, if any. For transactions entered into on or after the date of transition to Ind AS, the requirement of initial recognition at fair value is applied prospectively.

B. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

B.1 Effect of Ind AS adoption on the balance sheet as at 31 March 2017 and 1 April 2016

Amount in ₹ Lakhs

	Note No.	31st March, 2017			1st April, 2016		
		Previous GAAP *	Effect of transi-tion to Ind AS	Ind AS	Previous GAAP *	Effect of transi-tion to Ind AS	Ind AS
Assets							
Non-Current Assets							
Property, plant and equipment	C.1, C.2	16,226.66	(29.94)	16,196.72	14,564.89	-	14,564.89
Capital work-in-progress		272.22	-	272.22	115.54	-	115.54
Intangible assets		77.04	0.00	77.04	71.38	-	71.38
Investments in subsidiary and joint venture		-	-	-	-	-	-
Financial assets							
i. Trade receivables		-	-	-	-	-	-
ii. Loans		-	-	-	-	-	-
iii. Other financial assets		145.17	-	145.17	130.28	-	130.28
Deferred Tax Assets		80.00	-	80.00	80.00	-	80.00
Other non-current assets	C-3	233.87	9.34	243.21	141.95	-	141.95
Income tax assets (net)		241.28	(0.00)	241.27	-	-	-
Total non-current assets		**17,276.24**	**(20.60)**	**17,255.63**	**15,104.04**	**-**	**15,104.04**

Amount in ₹ Lakhs

	Note No.	31st March, 2017			1st April, 2016		
		Previous GAAP *	Effect of transition to Ind AS	Ind AS	Previous GAAP *	Effect of transition to Ind AS	Ind AS
Current assets							
Inventories		6,312.96	0.00	6,312.97	4,587.12	-	4,587.12
Financial assets							
i. Investments		-	-	-	-	-	-
ii. Trade receivables		6,748.65	-	6,748.65	5,405.65	-	5,405.65
iii. Cash and cash equivalents		235.96	-	235.96	56.87	-	56.87
iv. Bank balances other than cash and cash equivalents		186.49	-	186.49	794.25	-	794.25
v. Loans		21.62	-	21.62	15.30	-	15.30
vi. Other financial assets		472.28	-	472.27	543.09	-	543.09
Other current assets	C-3	1,612.02	2.98	1,615.00	1,615.94	-	1,615.94
Income Tax Assets (Net)		145.49	-	145.49	324.58		324.58
Total current assets		**15,735.46**	**2.98**	**15,738.45**	**13,342.80**	**-**	**13,342.80**
Total assets		**33,011.70**	**(17.62)**	**32,994.08**	**28,446.84**	**-**	**28,446.84**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Amount in ₹ Lakhs

	Note No.	31st March, 2017			1 April 2016 (Date of transition)		
		Previous GAAP *	Effect of transition to Ind AS	Ind AS	Previous GAAP *	"Effect of transition to Ind AS"	Ind AS
EQUITY AND LIABILITIES							
Equity							
Equity share capital		1,641.43	-	1,641.43	1,641.43	-	1,641.43
Other equity	B-2	10,693.01	(17.62)	10,675.39	10,320.54	-	10,320.54
Total equity		**12,334.44**	**(17.62)**	**12,316.82**	**11,961.97**	**-**	**11,961.97**
LIABILITIES							
Non-current liabilities							
Financial Liabilities							
i. Borrowings		4,843.22	(0.00)	4,843.22	4,219.89	-	4,219.89
ii. Other Financial Liabilities	C-4	-	5.84	5.84	-	-	
Provisions		208.47	-	208.47	194.14	-	194.14
Total non-current liabilities		**5,051.69**	**5.84**	**5,057.53**	**4,414.03**	**-**	**4,414.03**
Current liabilities							
Financial liabilities							
i. Borrowings		4,773.23	(0.00)	4,773.23	3,337.56	-	3,337.56
ii. Trade payables		7,445.30	-	7,445.30	6,235.78	-	6,235.78
iii. Other financial liabilities	C-4	2,261.54	(5.84)	2,255.71	1,379.56	-	1,379.56
Other current liabilities		1,078.79	0.00	1,078.79	1,061.10	-	1,061.10
Provisions		66.71	(0.01)	66.70	56.83	-	56.83
Total current liabilities		**15,625.57**	**(5.84)**	**15,619.73**	**12,070.84**	**-**	**12,070.84**
Total liabilities		**20,677.26**	**(0.00)**	**20,677.26**	**16,484.86**	**-**	**16,484.86**
Total equity and liabilities		**33,011.70**	**(17.62)**	**32,994.08**	**28,446.83**	**-**	**22,446.84**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

B.2 Reconciliation of total equity as at 31 March 2017 and 1 April 2016

Amount in ₹ Lakhs

	Note No.	31 March 2017 (End of last period presented under previous GAAP	1 April 2016 (Date of transition)
Total		12,334.44	11,961.97
Adjustments			
Depreciation And Amortisation	C.1, C.2	(29.94)	-
Measurement of security deposit received - Expenses	C-3	1.47	-
Measurement of security deposit received - Income	C-3	(1.47)	-
Reclassification of Loan Processing fees	C-3	12.32	-
Total adjustment to equity		**(17.62)**	**-**
Total equity under Ind AS		**12,316.82**	**11,961.97**

B.3 Effect of Ind AS adoption on the statement of profit and loss for the year ended 31 March 2017

Amount in ₹ Lakhs

	Note no.	31 March 2017 (last period presented under previous GAAP		
		As per Previous GAAP	Effect of transition to Ind AS	Ind AS
Revenue from operations	C-5	40,784.84	(74.62)	40,710.22
Other income		233.20	80.25	313.45
Total Income		**41,018.04**	**5.63**	**41,023.67**
Expenses				
Cost of materials consumed		26,137.08	0.01	26,137.09
Changes in inventories of finished goods and work-in-progress		190.24	(0.00)	190.24
Purchase in Stock in trade		1,779.69	-	1,779.69
Excise duty on sale of products		4,075.22	-	4,075.22
Employee benefits expense	C-6	3,269.01	18.67	3,287.68
Finance costs	C-3	1,000.86	(10.85)	990.01
Depreciation and amortisation expense	C-1, C-2,	1,028.26	29.94	1,058.20
Other expenses	C-4	3,165.20	4.15	3,169.36
Total expenses		**40,645.56**	**41.92**	**40,687.49**
Profit before tax		**372.48**	**(36.29)**	**336.18**
Tax expense:				
- Current tax		-	-	-
- Deferred tax		-	-	-
Total tax expense		**-**	**-**	**-**
Profit for the year		**372.48**	**(36.29)**	**336.18**
Other comprehensive income				
A (i) Items that will not be reclassified to				
profit or loss				
- Remeasurements of the defined benefit plans		-	18.67	18.67
A (ii) Income tax relating to items that will not be reclassified to profit & loss		-	-	-
B (i) Items that may be reclassified to profit or loss		-	-	-
B (ii) Income tax relating to items that may be reclassified to profit & loss		-	-	-
Other comprehensive income for the year, net of tax		**-**	**18.67**	**18.67**
Total comprehensive income for the year		**372.48**	**(17.62)**	**354.85**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

B.4 Reconciliation of total comprehensive income for the year ended 31 March 2017

Amount in ₹ Lakhs

	Note No.	31 March 2017 (Last period presented under previous GAAP)
Profit as per previous GAAP		372.48
Adjustments:		
Depreciation And Amortisation	C-1,C-2,	(29.94)
recognised in Other Comprehensive Income	C-6,C-7	(18.67)
Reclassification of Loan Processing fees	C-3	13.79
Other Adjustments -Income		(1.47)
Total effect of transition to Ind AS		(36.29)
Profit for the year as per Ind AS		336.18
Other comprehensive income for the year (net of tax)	C-7	18.67
Total comprehensive income under Ind AS		**354.85**

Note: Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under previous GAAP.

C. Notes to first-time adoption:

C.1 Property, plant and equipment

The company has availed exemption provided under Ind AS 101 first time adoption of indian accounting standards & considered the carrying value of property, plant & equipment and intengible asset measured under previous GAAP as the deemed cost as on 1st April 2016. Accordingly, the cost as on 1st April 2016, net of accumulated depreciation, has been considered as deemed cost. Consequently, Carrying value of Property Plant & Equipment as on 31st March 2017 decreased by ₹29.94 lacs and depreciation increased by ₹29.94 lacs . Moreover profit decreased by ₹29.94 lacs.

C.2 Leasehold land

Under the previous GAAP, leasehold land were scoped out of AS 19 Leases and hence all such lands were capitalised and formed part of PPE. Under Ind AS, since now the leasehold land is scoped in Ind AS 17 Leases, in view of terms of the lease of land at Greater Noida and Ahemdnager Parner Supa being in the nature of finance lease, the Company has accounted for such land in accordance with Ind AS 17 and continued to disclose the same under PPE. There is no impact on the total equity or profit as a result of this adjustment.

C.3 Borrowings

IND AS 109 requirers that the upfront/processing fees paid in respect of borrowings are recoginsed in the profit and loss over the tenure of borrowing by applying the effective interest rate method. Under previous GAAP, such fees were charged to profit and loss. Accordingly, other non current assets increased by ₹9.33 lacs and other current assets increased by ₹2.98 lacs due to showing of unamortised upfront /processing fees as prepaid expenses.Further profit increased by ₹12.32 lacs. Net cash flow from operating activities decreased by ₹12.32 lacs with an equivalent increase in Net cash flow from investing activities by ₹1.47 lacs and increase in Net cash flow from financing activities by ₹10.85 lacs.

C.4 Security Deposits received

Under the Previous GAAP, Interest free security received (that are repayable in cash) are recorded at there transaction value. Under IND AS, all financial liabilities are required to recognised at fair value. Accordingly,the Company has fair valued these security received under IND AS. Difference between the fair value and transaction value of the security received has been recognised under the liabilities as advance to be amortised over the contractual term. consequent to this change, other financial liabilities-Non Current increased by ₹5.84 lacs and other financial liabilities-Current decreased by ₹5.84.

C.5 Excise duty

Revenue from Operations upto period ended June 30, 2017 were reported inclusive of Excise Duty. The Government has introduced GST w.e.f. July 1,2017 replacing Excise Duty and various other indirect taxes. As per IND AS 18, the revenues for the quarter & year ended March 31, 2018 have been reported net of GST.

C.6 Remeasurements of defined benefit plans

Under Ind AS, remeasurements of defined benefit plans i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended 31 March 2017 is decreased by ₹18.67 lacs. There is no impact on the total equity as at 31 March 2017.

C.7 Other comprehensive income

Under the previous GAAP, there was no concept of other comprehensive income. Under Ind AS, specified item of income, expense, gains or losses are required to be presented in other comprehensive income.

C.8 Statement of Cash Flows

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

41 Utilization of money raised through public issue

During the year ended 31 March 2012, The company has based ₹12064.50 lacs through public issue, specifically to meet its share in cost of setting-up a new manufacturing facility at Supa district Ahemadnager, G.Noida, repayment of term loan, working capital & general corporate expenses. Given below are the details of utilisation of proceeds raised through public issue.

Amount in ₹ Lakhs

	31st March, 2018	31st March, 2017	1st April, 2016
Amount raised through public issue	12,064.50	12,064.50	12,064.50
Less: Amount utilized till date			
Utilized for General Corporate Purpose	-	-	-
Purchase of plant and machinery & Construction of Building	5,977.05	5,977.05	5,977.05
Capital expenditure (Building and Plant & Machinery)	1,040.66	1,040.66	1,040.66
IPO Expenses (Net of rembursements received)	993.39	993.39	993.39
Repayment of term loan	2,274.44	2,274.44	2,274.44
Utilized for working Capital	1,778.96	1,778.96	1,293.19
Utilized amount at the end of the year lying in escrow account with standard chartered Bank as per direction of SEBI	-	-	485.77

As Per Our Report of Even Date Attached

For Chitresh Gupta & Associates
Chartered Accountants
Firm Registration No. 017079N

CA Chitresh Gupta (Partner)
M. No. 098247

Place: Greater Noida, U.P.
Dated:25th May 2018

For and on behalf of Board of Directors

Chairman
(Anurag Gupta)
Din-00184361

Executive Director
(Vishal Gupta)
Din-00184809

Company Secretary
(Sanchay Dubey)

Chief Financial Officer
(M.P. Gupta)

PG ELECTROPLAST LIMITED

CIN: L32109DL2003PLC119416
Regd. Office: DTJ209, 2nd Floor, DLF Tower-B, Jasola, New Delhi-110025
Corporate Office: P-4/2 to 4/6, Site-B, UPSIDC Indl. Area, Surajpur, Greater Noida, Dist- Gautam Budh Nagar, U.P. - 201306
Email: investors@pgel.in | Website: www.pgel.in
Tel No: +91-120-2569323 | Fax No: +91-120-2569131

NOTICE OF THE 16TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 16th ANNUAL GENERAL MEETING of the shareholders of PG ELECTROPLAST LIMITED (the "Company") will be held on Saturday, 29th day of September, 2018 at 10:30 AM. at Auditorium, Asia Pacific Institute of Management, No. 3 & 4 Institutional Area, Jasola, Opp. Sarita Vihar, New Delhi - 110025 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2018, the report of the Board of Directors and Auditors thereon.

2. To re-appoint Mr. Vishal Gupta (DIN- 00184809) as a Director, who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. **TO APPROVE/RATIFY REMUNERATION OF THE COST AUDITORS FOR THE FINANCIAL YEAR ENDING ON 31ST MARCH, 2019** and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

   "RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable provisions, if any, the Shareholders hereby ratify the approved remuneration of ₹3,00,000/- (Rupees Three Lakh Only) plus applicable taxes and reimbursement of out of pocket expenses to be paid to M/s Amit Singhal & Associates, (Firm Registration No. 101073), Cost Accountants, to conduct audit of the cost accounting records of the Company, for the financial year ending 31st March, 2019, as approved by the Board of Directors on recommendation of the Audit Committee of the Company,."

By Order of Board of Directors
of **PG Electroplast Limited**

(Sanchay Dubey)
Company Secretary
Membership No. A51305

Date: 11/08/2018
Place: Greater Noida

NOTES:

1. **Appointment of Proxy**

   A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS ENCLOSED WITH THIS NOTICE.

2. **Restriction for appointing proxy**

   A MEMBER CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINTS A SINGLED PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY OF ANY OTHER PERSON OR SHAREHOLDERS.

3. **Appointment of Representative**

   Corporate Members intending to send their authorized representatives to attend the Annual General Meeting are requested to send a duly certified copy of their Board Resolution authorizing their representative to attend and vote at the Annual General Meeting along with specimen signature.

4. **Attendance slip**

   Members/proxies are requested to produce the Attendance Slip duly signed as per the specimen signature recorded with the Company/Depository Participant for admission to the meeting hall. Members, who hold shares in de-materialized form, are requested to bring their DP I.D. and Client I.D. No(s) for easier identification of attendance at the meeting. Attendance slip and proxy slip are annexed hereto.

5. **Submission of PAN and Bank details**

   The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) and bank account details by every participant in securities market. Accordingly, members holding shares in electronic form are requested to submit their PAN to their DP with whom they are maintaining their demat accounts. Members holding shares in physical form are required to submit their PAN and bank account details to Company in terms of SEBI Circular dated 20th April, 2018.

6. **Explanatory Statement:**

   The Explanatory Statements with respect to special business to be transacted at the meeting are annexed hereto.

7. **E Voting**

   The Company is pleased to provide e-voting facility to enable Shareholders to exercise their right to vote electronically through website https://evoting.karvy.com, from a place other than place of the meeting. The Company has appointed Karvy Computershare Pvt Ltd. as e-voting agency. **The remote e-voting shall start on 26/09/2018 at 10.00 A.M. & close on 28/09/2018 at 5:00 P.M.** Remote E-voting shall not be allowed beyond the said time & date.

   The E-Voting event number, User-ID and password along with instructions for e-voting are provided in notice of E-Voting, being sent along with the Notice of this Annual General Meeting. Already registered users on website "https://evoting.karvy.com" may use existing log-in credentials.

8. **Cut-off date for voting Rights:**

   During the period when facility for remote e-voting is provided, the member of the Company, holding shares either in physical form or dematerialized form, as on 24/09/2018 may opt for remote e-voting. Once the vote on resolution is cast by the member, he shall not be allowed to change it subsequently or cast vote again.

9. **Voting at the meeting:**

   The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.

   The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again. In case of joint holders attending the meeting, only such joint holder, who is higher in the order of name, will be entitled to vote.

10. **Scrutinizers**

    The Company has appointed Mr. Rahul Kumar, Practicing Company Secretary as Scrutinizers to scrutinize the voting as well as remote e-voting process in a transparent manner.

    The Scrutinizer shall immediately after conclusion of voting at AGM, first count the vote thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. He shall handover Scrutinizer's Report to the Chairman or to any other person authorized by the Chairman in this regard.

11. **Instructions for E Voting:**

    i. Use the following URL for e-voting: https://evoting.karvy.com

    ii. Enter the login credentials, i.e., user id and password mentioned in your email/notice. Your Folio No/DP ID Client ID will be your user ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and Password for casting your votes.

iii. After entering the details appropriately, click on LOGIN.

iv. You will reach the Password change menu, wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$,etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the EVENT, i.e., PG Electroplast Limited.

vii. On the voting page, the number of shares (which represents the number of votes) as held by the member as on the cutoff date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, then enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR'/'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.

viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.

ix. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.

x. Corporate/Institutional Members (i.e., other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board resolution/ authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the scrutinizer through e-mail: rahulksg@outlook.com. They may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'Corporate Name_EVENT No.'

xi. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and e-voting User Manual available at the 'download' section of https://evoting.karvy.com or call Karvy Computershare Pvt. Ltd. on 1800 345 4001 (toll free).

12. Login ID and Password to access E voting Facility

Any person who acquires shares of the Company after dispatch of this Notice and holds shares as on the cut-off date i.e. as on 24/09/2018 may obtain login ID and password by sending a request to evoting@karvy.com with a copy investors@pgel.in by mentioning her / his folio number or DP ID and Client ID. Alternatively they may contact at toll free Number of Our E voting Agency provided at their website.

If the member is already registered with Karvy for E-voting, he can use his existing user ID & password for casting the vote through remote E Voting.

13. Results of Voting

The results of remote e-voting and poll at Annual General Meeting and consolidated result will be announced at evening on 29/09/2018 and the resolutions proposed thereat will be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes. Scrutinizer's report along with consolidated results shall be placed on website of the company www.pgel.in & website of e-voting agency https://evoting.karvy.com and communicated to the Stock Exchanges National Stock Exchange of India Ltd. and BSE Ltd.

14. Annual report:

Electronic copy of Annual Report for year 2017-18 and Notice of the Annual General Meeting of the Company are being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same.

For members who have not registered their email address, physical copy of Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent in the permitted mode.

15. Closure of Register of Member:

The Register of Members and Share Transfer Books shall remain closed from 24/09/2018 to 29/09/2018 (both days inclusive) for the purpose of Annual General Meeting.

16. Dividend: The Board of Directors of the Company has not recommended any dividend.

17. Registration of E-mail id for correspondence:

Members, who have not registered their e-mail address so far, are requested to register their e-mail for receiving all communication including annual report, notices, circulars etc. through email.

Members holding shares in D-mat form may intimate the e-mail to their depository participants & Members holding shares in physical form are requested to address all correspondence concerning the registration of transfers, transmission, sub-division, consolidation of shares or any other related matters and/or any change in address or updation thereof to the Company/RTA-Karvy Computershare Pvt. Ltd.

18. **Availability of Annual Report & Notice on website**

    Members may also note that the Notice of the 16th Annual General Meeting and the Annual Report for 2017-18 will also be available on the Company's website www.pgel.in. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in New Delhi for inspection during (01.00 PM to 3.30 PM) on Monday to Friday. For any communication, the shareholders may also send requests to the Company's investor email id: investors@pgel.in. The notice will also be available on E-Voting Agency website https://evoting.karvy.com .

19. **Inspection**

    The Register of Directors', Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection at the venue of AGM.

20. Members desiring any information as regards to the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting.

21. Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares for ease of portfolio management.

ANNEXURE TO NOTICE: EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

Item No. 3:

The Board of Directors of the Company has appointed M/s Amit Singhal & Associates, Cost Accountants (Firm Registration No: 101073), as Cost Auditors of the Company to audit cost records for the financial year ending on 31st March, 2019. Remuneration payable to M/s Amit Singhal & Associates, Cost Auditors of the Company for the financial year ended 31st March, 2019, was recommended by the Audit Committee to the Board of Directors and subsequently, was considered and approved by the Board of Directors at its meeting held on 11th August 2018.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the shareholders of the Company. Accordingly consent of the members is sought for passing an ordinary resolution for approval of remuneration payable to Cost Auditors as set out at item no. 3 of the notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives is interested or concerned in the said respective resolution for their appointment.

By Order of Board of Directors
Of **PG Electroplast Limited**

(Sanchay Dubey)
Company Secretary
Membership No. A51305

Date: 11/08/2018
Place: Greater Noida

AGM Venue - Route Map

PG ELECTROPLAST LIMITED

CIN: L32109DL2003PLC119416
Regd Office: DTJ209, 2nd Floor, DLF Tower-B, Jasola, New Delhi-110025

FORM MGT-11 (PROXY FORM)

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of member(s)		Email:	
Registered address		Folio No/ *Client id:	
		*DP id:	

I/We, being the shareholder of ……………………………..............…………….............. shares of the above named company, hereby appoint

1. Name:	Email id:
Address:	Signature

or failing him

2. Name:	Email id:
Address:	Signature

or failing him

3. Name:	Email id:
Address:	Signature

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf in AGM to be held on Saturday, 29th September, 2018 at 10:30 A.M. at Auditorium, Asia Pacific Institute of Management, No. 3 & 4 Institutional Area, Jasola, Opp. Sarita Vihar, New Delhi – 110025 and at any adjournment thereof in respect of such resolutions as are indicated below:

S.N.	Resolution	For*	Against*
1	1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2018, the report of the Board of Directors and Auditors thereon.		
2	2. To re-appoint Mr. Vishal Gupta (DIN- 00184809) as a Director, who retires by rotation and, being eligible, offers himself for re-appointment.		
3	3. To approve/ratify remuneration of the cost auditors for the financial year ending on 31st March, 2019.		

Signed this …….. day of ………………………….2018.

Affix
₹ 1
Revenue
stamp

Signature of shareholder **Signature of Proxy holder(s)**

Note:

*Please put a tick (√) in the appropriate column against the resolution as indicated in the Box. Alternatively, you may mention the number of shares in the appropriate column in respect of which you would like your proxy to vote. If you leave the column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

2. A proxy need not to be member of the Company.

3. In case the member appointing the proxy is a body corporate, the proxy form should be signed under the seal or be signed by an officer or an attorney duly authorised by it and an authenticated copy of such authorisation should be attached to the proxy form.

4. In case of joint holders, signature of any one holder will be sufficient, but name of all joint holders should be stated.

PG Electroplast Limited

ATTENDANCE SLIP

16th Annual General Meeting

Please fill attendance slip and hand it over at the entrance of the meeting hall.

Day: Saturday, 29th September, 2018

Time: 10:30 AM.

Place: Auditorium, Asia Pacific Institute of Management, No. 3 & 4 Institutional Area, Jasola, Opp. Sarita Vihar, New Delhi - 110025

Full Name of First Shareholder:	
Joint Shareholder, if any:	

DP Id*		Folio No.**	
Client Id*		No. of Shares	

Full name of person attending the meeting as Shareholder/Proxy:	

I hereby record my presence at the 16th Annual General Meeting of the Company held on Saturday, 29th September, 2018 at Auditorium, Asia Pacific Institute of Management, No. 3 & 4 Institutional Area, Jasola, Opp. Sarita Vihar, New Delhi – 110025.

(Signature of Shareholder/Proxy)

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*Applicable for investors holding share in electronic form.

** Applicable for investors holding share in physical form.

PG ELECTROPLAST LIMITED
(CIN: L32109DL2003PLC119416)

REGD. OFFICE: DTJ209, 2nd Floor, DLF Tower-B, Jasola, New Delhi-110025, India
Email: investors@pgel.in / info@pgel.in
Tel-Fax No.: +91 11 41421439

CORP. OFFICE: P-4/2 to 4/6, Site-B, UPSIDC Industrial Area, Surajpur, Greater Noida,
District Gautam Budh Nagar, Uttar Pradesh - 201306, India
Telephone No.: +91 120 2569323 I Fax No.: +91 120 2569131

www.pgel.in

Pitchcraft communications info@pitchcraftindia.com