



PG ELECTROPLAST LIMITED

CIN-L32109DL2003PLC119416

Corporate Office :

P-4/2, 4/3, 4/4, 4/5, 4/6, Site-B, UPSIDC Industrial Area, Surajpur
Greater Noida-201306, Distt. Gautam Budh Nagar (U.P.) India
Phones # 91-120-2569323, Fax # 91-120-2569131
E-mail # info@pgel.in Website # www.pgel.in

September 07, 2021

To,
The Manager (Listing)
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

To,
The Manager (Listing)
National Stock Exchange of India Limited,
Exchange Plaza,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051

Scrip Code: 533581

Scrip Symbol: PGEL

By means of BSE Listing Centre

By means of NEAPS

Sub.: Annual Report 2020-21

Dear Sir,
Pursuant to regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, we are enclosing Annual Report 2020-21 of PG Electroplast Limited.

Further, the 19th Annual General Meeting of PG Electroplast Limited is scheduled to be held on Wednesday, 29th day of September, 2021 at 11.00 AM through Video Conferencing/Other Audio Visual Means ("VC/OAVM").

This is for your information and record.

Thanking you,
Yours Faithfully,

For **PG Electroplast Limited**


(Sanchay Dubey)
Company Secretary



Encl: as above

■ **Registered Office**
DTJ-209, Second Floor
DLF Tower-B, Jasola
New Delhi-110025
Tele-Fax # 011-41421439

PG ELECTROPLAST LIMITED

Annual Report 2020-21



Expanding Possibilities-



to Thrive and Succeed

02-21

Corporate Overview

- 02 Introducing PG Electroplast
- 04 Our Journey So Far
- 06 Message from the Chairman
- 08 Our Offerings & Clientele
- 12 Key Performance Indicators
- 14 Combating COVID-19
- 15 Empowering our people
- 16 Building capacity to nurture excellence
- 18 Profile of Board of Directors
- 20 Key Managerial Persons
- 21 Corporate Information

22-64

Statutory Reports

- 22 Management Discussion and Analysis
- 29 Board's Report
- 37 Report on Corporate Governance

65-168

Financial Statements

- 65 **Standalone Financial Statements**
- 72 Balance sheet
- 73 Profit & Loss Statements
- 74 Cash flow
- 77 Notes forming Part of the Financial Statements
- 117 **Consolidated Financial Statements**
- 124 Balance sheet
- 125 Profit & Loss Statements
- 126 Cash flow
- 129 Notes forming Part of the Financial Statements

READ INSIDE



14



Combating COVID-19



12

Key Performance Indicators



06

Message from the Chairman



04

Our Momentous Journey



15



Empowering our people

Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.



Online Report



Check out our online report for simple navigation across your devices.

www.pgel.in/financial-information.php

Remaining true to our commitment to uphold excellence and enhance stakeholder value, we continue to chart new trajectories of growth. Adding fuel to our aspirations, we are relentlessly focusing on investments and strategic executions to further expand our manufacturing capacity.

Resting on a robust business model, we are consistently upgrading our facilities to become a 'one-stop-solution' for our esteemed clients. With every step forward, we are strengthening relationships with customers, improving our market leadership and exploring avenues to diversify our offerings. Brimming with enthusiasm, we are expanding possibilities for growth – securing our future needs to thrive and succeed!



Company overview

PG Electroplast Limited is the flagship company of the PG Group, which began its operations in 1977, and is one of the leading players in India in Electronics Manufacturing Services. It is a diversified EMS providing OEM and ODM solutions for complete product and component manufacturing. PG has a vast range of capabilities to manufacture plastic moulded components, sheet metal components, printed circuit board assemblies, finished product assemblies, tools and dies, and specialized air conditioner components.

The company is one of the largest plastic component manufacturers for the consumer durables and consumer electronics industries in India. It today provides one-stop solutions to 30+ leading Indian and Global brands.

INTRODUCING PG ELECTROPLAST

We have emerged as one of India's leading players in our industry space, with our products finding application across multiple diverse downstream industries across Consumer Electronics, Domestic Appliances, Automotive Industry, Lighting Systems, Mobile Phones and Sanitary fittings.



Our Vision



To emerge as a global one-stop solution partner in the field of Plastic Moulding and Electronic Manufacturing Services by maximising efficiency and technological innovation.

Our Mission



At PGEL, it is our mission to provide the highest quality products - competitively priced, along with services exceeding our customers' expectations. We are committed to maximise value for all stakeholders and build an environment that encourages continual improvement to address a dynamic business environment.



30+

Indian and Global brands served



6

Manufacturing units



2500+

Employees



69.83%

Promoter shareholding as on March 31, 2021



794.73

Market capitalisation as on March 31, 2021
(₹ in Crore)



346.23

Gross block as on March 31, 2021
(₹ in Crore)



15

New models in pipeline



220+

Capex over last 5 years
(₹ in Crore)

OUR JOURNEY SO FAR

1977

PG Group starts as a small electronic component manufacturing unit in Delhi

1995

A TV manufacturing plant was set up in Noida

1997

Started manufacturing Colour TVs & Audio Products

1999

A PCB Assembly Line was set up at Noida

2003

Started Plastic Injection Molding Plant

2008

Got first tender from Tamil Nadu Govt. for supplying CTV. Supplied 2.5 million CTV in next 3 years

2009

Started Manufacturing of CFL Lights

2010

- Diversified into Automotive industry and started working with Leading Indian and Global Automotive OEMs
- PGEL rated the biggest manufacturer in India for Consumer Electronics

2011

Expanded foot print by setting up state-of-the-art plastic injection molding plant near Pune



2012

Expanded plastic injection molding business by adding new factory at Greater Noida

2014

Diversified in to small domestic appliances industry by setting up state-of-the-art motor plant and started manufacturing Juicers, Mixer Grinders for leading Indian brands

2015

Assembly Plant for Set-Top-Box gets started

2016

In-house Tool Manufacturing Facility

2016

- Developed and designed a completely new platform for Air Coolers for a leading Indian brand as their ODM.
- Started manufacturing indoor units for air conditioners.
- Designed and developed Semi-Automatic Washing Machine as an ODM.

2018

- Installed a state-of-the-art PU Paint Shop to provide high-quality surface finishes to plastic moulded components.
- Ventured into the sanitary fittings industry to provide premium bathroom fittings for leading luxury brands.

2019

- Added capacities for manufacturing heat exchangers for air conditioners.

2020

- Investments for manufacturing outdoor units of air conditioners.

2021

- Developed the company's first platform for fully automatic washing machines.
- Added capabilities to manufacture sheet metal components with powder coating finish.
- Developed and launched crossflow fans for RAC.
- Developed two platforms each for indoor and outdoor units of Room ACs.



“Our sales have grown ~2.7 times in the past six years, from a sum of ₹ 263 crores in 2015-16, to ₹ 703 crores in 2020-2021.”

MESSAGE FROM THE CHAIRMAN

“We have played a pioneering role in the emergence of a globally competitive Indian electronics sector. We relied on our own strength as well as collaborative exploration of technological advances.”

Dear Shareholders,

The human race is facing possibly the most severe global health crisis of the last 100 years. The Covid-19 pandemic has also ravaged the global economic activities to an unimaginable extent. Yet we have delivered a resilient performance in the current financial year, during a very challenging year for the global economy.

We have played a pioneering role in the emergence of a globally competitive Indian electronics sector. We relied on our own strength as well as collaborative exploration of technological advances. We believe that businesses have to consistently work on improving their quality of output to attract customers and retain their position in the market. To ensure that we are equipped to address our consumer's needs, we prioritise embracing new ideas and technology. When merged with our experience, insights and intuition, this helps us overcome every challenge that comes our way.

Our response to COVID-19

The Company has executed all possible strategies that protect the safety and wellbeing of our employees, our customers and partners, as well as communities. Where necessary, and in compliance with local government requirements, we took steps to safeguard employees and give them medical assistance, if impacted by Covid-19. Through the robust actions, we have remained largely operational with key safety protocols in place.

Performance Overview

PGEL has emerged as a leading and prominent player in plastic moulding and electronic manufacturing services. We are an end-to-end solutions provider for product design and final product assemblies for products like Washing Machines, Air Conditioners, Air-Coolers, LED TVs, Toilet Seats, In-Wall Tanks etc. Our company currently caters to both OEM and ODM demand, with a continuous focus on delivering on the highest standards of quality.

Our sales have grown ~2.7 times in the past six years, from a sum of ₹ 263 crores in 2015-16, to ₹ 703 crores in 2020-2021. Despite the pandemic, we are today preferred and reliable partner for leading brands in Washing Machines and Air Conditioner manufacturing. The work from home culture brought a steady rise in demand for consumer electronics and durables. We performed well across both our ODM and OEM business, delivering double digit growth across topline and bottomline on a full year basis.

At PGEL, we have an experienced R&D team which enables us to offer comprehensive, end-to-end product development services like: Product Conceptualization, Design and Prototyping, Performance And Energy Optimization, Product and Tool Costing, Tool Development and Supply Chain Development. We have achieved new milestone this year by developing and launching of ODM platform for Fully Automatic Washing Machines and Air Coolers. We have also developed similar capabilities in AC Outdoor unit assembling.

Our employees

As a company, we would not achieve anything meaningful without the help and support of our employees. Despite the many COVID-related difficulties, our employees continued to serve customer needs throughout the year. Their technical expertise, deep domain knowledge and good customer relationships formed an important aspect of growth. Alongside this, they have also shown dedication, hard work and an ability to go beyond the normal in difficult conditions to get tasks done well and on-time.

Delivering Value

In our endeavour to create long-term value for stakeholders, we focus strategic pillars that form an important aspect of our growth story. One, our new product development in ODM and OEM business stems from a deeper insight and inputs we receive from our customers. Two, our revenue has diversified from new products substantially backed by disruptive innovations introduced by our R&D team. Three, as consumer preference shifts towards more energy efficient and environment-friendly products, we have aligned our offerings in line with Bureau of Energy Efficiency and Ministry of Environment & Forests standards.

Looking forward

PG Electroplast will focus on making consistent investments in capacity building. We expect to double our capacities in AC and washing machines with proposed expansion at Ahmednagar plant. This is planned with our proposed investments of ₹ 300 crore in the next three-four years. While capacities of existing products will be expanded, we also intend to expanding our offerings into LED TV and other consumer durable products. The proposed investment will be through internal accruals and debt, ensuring a balanced books of accounts for sustainable value creation.

Lastly, I conclude with placing my sincere appreciation to our employees for their continued pursuit of excellence and thanks to our customers for believing in our quest for excellence. Our journey of excellence remains fuelled by your unstinting support and confidence. We look forward to another year of growth and success.

Stay Safe. Stay Healthy.

Anurag Gupta

Chairman

OUR OFFERINGS & CLIENTELE



**Air
Conditioners**



**Washing
Machines**



**LED
Televisions**



**Air
Coolers**



**Mobile
Components**



**Automotive
Components**



**Bathroom
Fittings**

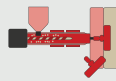


**Consumer
Electronics**

Key Manufacturing capabilities



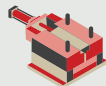
**Finished Product
Assemblies**



Plastic Moulding



**Specialised AC
components**



Tool Manufacturing



PCB Assemblies



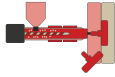
PU Paint Shop



Finished Product Assemblies

PG Electroplast is an end-to-end solutions provider for product design and final product assemblies for products like Washing Machines, Air Conditioners, Air-Coolers, LED TVs, Toilet Seats, In-Wall Tanks etc. We currently cater to both OEM and ODM demand, with a continuous focus on delivering on the highest standards of quality.





Plastic Moulding

PG Electroplast has over 250 moulding machines, ranging from 90T to 1850T, across five plants in Greater Noida, Roorkee and Pune. Our USP lies in in-house design and engineering using the latest technologies that allow us to meet global manufacturing quality standards. We specialise in developing small, medium and large sized, high-precision surface critical injection moulded components and offer a number of specialised post-moulding operations to meet customer needs.

PG Electroplast offers wide spectrum of plastic moulding technologies such as injection moulding, blow moulding, thermoset moulding, gas injection moulding, insert moulding, etc.



Specialised AC components

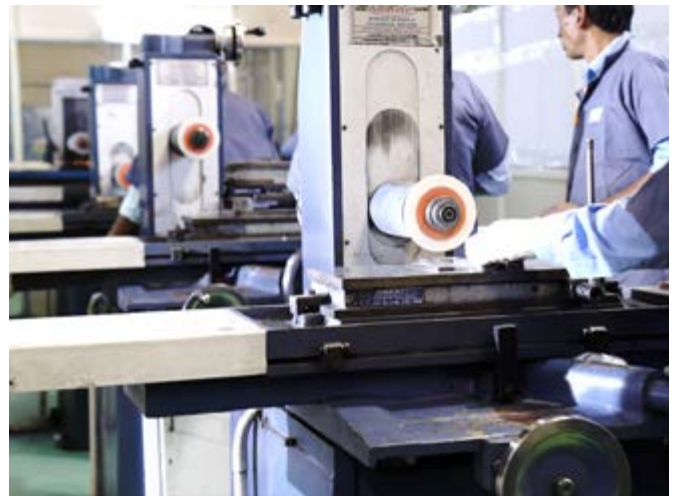
We are manufacturing plastic moulded AC components since 2003. In 2018, in an effort to improve value addition, we decided to invest and develop capacities for 5mm and 7mm Heat Exchanger lines, injection Moulding components, system copper tubing with CNC bending, sheet metal components, and powder coating treatment capabilities. We are well positioned to deliver innovative, completely built units from 2021 onwards.





Tool Manufacturing

We develop small to medium size moulds for a wide range of applications which include, Automotive Applications, White Goods, Home & Kitchen Appliances, Lighting and Electrical Equipment. The complete range of services from tool design to tool manufacturing and injection moulding under one roof makes the PG a total tooling solutions provider.



PCB Assemblies

We have innovative solutions for all kinds of printed circuit board assemblies. We help to develop a wide range of applications, used across industries, on a turnkey basis (including component procurement, assembly, testing, packing & shipping). Our SMT lines & Wave Soldering machines are equipped to handle both RoHS & Non-RoHS PCB Assembly work. Our processes & operations conform to ISO standards, assuring adherence to the highest industry benchmarks.





PU Paint Shop

We have installed a state-of-the-art PU Paint shop in Greater Noida. The Shop can provide superior surface finish solutions for all kinds of systems, for parts of different shapes and sizes. Due to the durable and premium nature of the finish achieved through this treatment, there is high demand for the Paint Shop from our customers in the automotive, electrical and consumer durable industries. An advanced, automated facility, it is equipped to handle all kinds of painting requirements.



Our Esteemed Clientele



KEY PERFORMANCE INDICATORS

Total Income (₹ in Lakhs)



Gross Block (₹ in Lakhs)



EBIDTA (₹ in Lakhs)



PBT (₹ in Lakhs)



PAT (₹ in Lakhs)



Networth (₹ in Lakhs)



EBIDTA (in %)**PBT (in %)****PAT (in %)****ROI/ROCE (in %)****ROE (in %)****Sales Value Growth (in %)****NET DEBT/EBIDTA (in Times)**

COMBATING COVID-19

While the COVID-19 pandemic wreaked havoc around the world, our operations too were impacted due to the nationwide lockdowns at the beginning of FY2021. To ensure the health and safety of our people, we adhered to social distancing protocols and emphasised on sanitization measures across our facilities before resuming operations.



We introduced 'PG Cares', a special initiative to address the emotional well-being of our people during the pandemic. We also supported the families of employees who lost their lives to COVID-19 by offering them the employee's salary for a period of two years. The responsibility for their children's education, till they pass out of high school, will also be borne by the company. Besides, to keep our people safe and healthy, we have organised free vaccination camps across our manufacturing units.



2500+

Employees

EMPOWERING OUR PEOPLE

At PGEL, we consider our people to be the cornerstone of our growth story. We believe, an empowered, engaged and motivated team can make a lasting impact on the organisation, shaping its abilities to achieve remarkable milestones. We, therefore, strive to nurture skills and talent, offering a conducive environment for our people to flourish and thrive at a dynamic workplace.



Image to come

Our commitment to design and deliver superior quality products stems from our relentless efforts to develop unique and innovative solutions. Resting on cutting-edge processes and advanced technology, we continue to enhance our manufacturing capacities.

BUILDING CAPACITY TO NURTURE EXCELLENCE

Our constant emphasis on emerging as a one-stop solution provider for our customers enable us to offer assistance every step of the way - from product conceptualisation and market research to supply chain development and manufacturing of finished products. Besides, our R&D capabilities enable us to retain a competitive edge over others.

To bolster our manufacturing capabilities, we are consistently upgrading our systems, adopting new technology and introducing automated processes across our operations. We are also relying on an integrated Enterprise Resource Planning system to track procurement, orders, sales, finances, inventory, manufacturing and supply chain. It also helps to optimise the efficiency of manufacturing processes.

6

Manufacturing Units



Our Presence



Future Growth Strategy

We foresee large opportunities in plastic moulding in consumer durables in appliances like: Washing Machines, Room Air conditioner, Refrigerators, Ceiling Fans and Sanitaryware products. We expect opportunities in the ODM space for products like Air coolers, Washing machines and Room Air Conditioners. Further, we propose on improving our operational efficiencies leading to better profitability & higher cash flows and reinvesting to improve strategic capabilities to reap future benefits.



₹ 300 CR
Proposed capex
in next three-four
years



PROFILE OF BOARD OF DIRECTORS



► **Mr. Anurag Gupta**

Chairman-Executive Director-Technical

Mr. Anurag Gupta has an experience of more than 28 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. He is a member of Stakeholders Relationship Committee and Corporate Social Responsibility Committee of the Board.



► **Mr. Vishal Gupta**

Managing Director – Finance

Mr. Vishal Gupta holds a Master's Degree in Business Administration from University of Pune. He has an experience of 26 years in the field of electronic manufacturing services. His core responsibilities include Finance & Administration, Budgeting & Planning process of the Company, Government and customer relationships and oversees monthly and quarterly assessments and forecasts of organization's financial performance. He is a member of Stakeholders Relationship Committee, Audit Committee and Corporate Social Responsibility Committee of the Board.



► **Mr. Vikas Gupta**

Managing Director – Operations

Mr. Vikas Gupta has 26 years' experience in the field of EMS. He holds a Master's Degree in Business Administration from University of Pune. He is responsible for business operations, strategy, industry relations and organization governance. He ensures to create and develop business opportunities and increasing the operational efficiencies with right product mix to achieve organizational growth and objectives.



► **Mr. Kishore Kumar Kaul**

Independent Non-Executive Director

Mr. Kishore Kumar Kaul is the Proprietor of M/s Sterling Enterprise, providing Consultancy in Supply Chain Management. He has completed his graduation in "Science" from University of Delhi and Post-Graduation in "Material Management" from Bhartiya Vidya Bhawan. He holds 36 years of experience spread across both in operations and senior management roles within industry. He was also associated with LG Electronics India Pvt. Ltd. as Director (SCM) and Pantos Logistics India Pvt. Ltd. as Managing Director. He is a member of Nomination & Remuneration Committee and Audit Committee of the Board.



► **Ms. Mitali Chitre**

Nominee Non-Executive Director

Ms. Mitali Chitre is a Principal at Baring Private Equity Partners India. She has 15+ years of investment experience & leads deals across consumer durables, capital goods, building materials, logistics and energy sectors. She serves as the Chief Economist for Baring and heads the Deal Origination practice. She has a Bachelor's degree in Electronics Engineering from Mumbai University and MBA from Cardiff Business School, U.K. She is a member of Nomination & Remuneration Committee and Audit Committee of the Board.



► **Mr. Ram Dayal Modi**

Independent Non-Executive Director

Mr. Ram Dayal Modi has over four decades of rich experience in Banking & Financial services of SBI Group. He has expertise in areas of Credit, FOREX, Project Appraisal & funding, Business Planning, Branch Expansion, Training system, Operations & Branch Banking. He is a Gold medalist in MA (Political Science), University of Udaipur, Rajasthan and holds Certified Associate of Indian Institute of Bankers (Part I). He is the Chairman of Corporate Social Responsibility Committee. He is also a member of Nomination & Remuneration Committee and Audit Committee of the Board.



► **Ms. Ruchika Bansal**

Independent Non-Executive Director

Ms. Ruchika Bansal is a management consultant with over 18 years' experience, specializing in wealth advisory, investment banking, private equity, Corporate finance, business strategy and acumen in the areas of mergers & acquisitions and private equity syndication. She is a Commerce graduate from SRCC (Delhi University) and Post Graduate-Diploma in management from MDI, Gurgaon. She is a member of Audit Committee of the Board.



► **Mr. Sharad Jain**

Independent Non-Executive Director

Mr. Sharad Jain is a Chartered Accountant and a Fellow Member of the Institute of Chartered Accountants of India (ICAI). He has experience of over 36 years in Financial & Strategic Planning, Taxation, Accounting, Budgeting and Auditing. He is presently engaged in the profession of Chartered Accountancy for over 15 years. He is the Chairman of Stakeholders Relationship Committee, Nomination & Remuneration Committee and Audit Committee of the Board.

KEY MANAGERIAL PERSONS



▶ **Mr. Pramod Chimmanlal Gupta**

Chief Financial Officer

Mr. Pramod Chimmanlal Gupta is a Chartered Financial Analyst (CFA) from the AIMR, USA. He has a PG Degree in Finance from IIM, Lucknow and B-Tech (Hon) in Electronics & Communication from IIT, Kharagpur. He has over 22 years of experience in Indian Equity markets across brokerage firms, Mutual funds and Insurance Company. He had been involved in Business Strategies and financial consulting to listed & unlisted companies and investment advisory



▶ **Mr. Sanchay Dubey**

Company Secretary

Mr. Sanchay Dubey is the Company Secretary and Compliance Officer of our Company. He is an associate member of Institute of Company Secretaries of India. He holds a bachelor degree in Commerce from Devi Ahilya Vishwavidyalaya (DAVV), Indore. He is responsible for legal and secretarial compliances of the Company. He has an experience of more than 5 years in the field of Secretarial & Legal Affairs.

CORPORATE INFORMATION

PG Electroplast Limited

(CIN: L32109DL2003PLC119416)

Registered Office:

DTJ-209, DLF Tower-B, Jasola,
New Delhi-110025

Email: investors@pgel.in / info@pgel.in

Telephone No: 91-011-41421439

Fax No: 91-120-2569131

Corporate Office:

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:

Mr. Anurag Gupta

Chairman
00184361

Mr. Vishal Gupta

Managing Director-Finance
00184809

Mr. Vikas Gupta

Managing Director-Operations
00182241

Mr. Sharad Jain

Independent Director
06423452

Mr. Kishore Kumar Kaul

Independent Director
07339035

Mr. Ram Dayal Modi

Independent Director
03047117

Ms. Mitali Chitre

Nominee Director
09040978

Ms. Ruchika Bansal

Independent Director
06505221

Management:

Mr. Pramod Chimmanlal Gupta

Chief Financial Officer

Mr. Sanchay Dubey

Company Secretary

Statutory Auditors:

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

Banker:

State Bank of India
HDFC Bank
ICICI Bank

Registrar & Share Transfer Agent:

KFin Technologies Private Limited,
Selenium Building, Tower B, Plot 31 & 32,
Financial District, Nanakramguda,
Serilingampally, Hyderabad – 500032
Email: einward.ris@kfintech.com

Management Discussion and Analysis

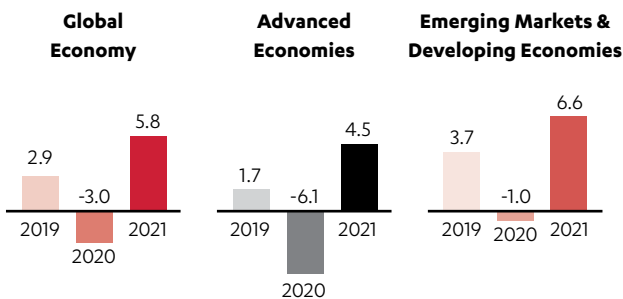
Global Economy

The Coronavirus pandemic that broke out in early January 2020, restricted mobility and cross border movement and the Great lockdown that followed in most geographies led to disruption of the global supply chains affecting business activities across industries and economies. Consequently, all businesses got impacted due to the disruption and this led to a Global GDP shrinking by 3.3% in 2020¹.

After the pandemic breakout, synchronized policy action was put in place across the global economies by both governments and central banks of most large countries. The fiscal measures encompassed from distributing food grain to direct transfer of money into the accounts of the citizens. Easing monetary policy, cutting policy interest rates and even resorting to large asset purchases were the key tools of most monetary policymakers to infuse liquidity and arrest the impending crisis from supply shocks.

The easy monetary policy along with fiscal support provided by national governments helped uplift consumer sentiments and demand, thereby turning the wheels of economic recovery. Though in most geographies economic recovery remains uneven and varies across sectors, the overall confidence is returning as vaccines developed for COVID-19 are helping to control the severity of the disease and helping control the spread of the contagion. However, the newer mutations and the uneven availability of COVID-19 vaccines, especially in Emerging geographies, poses a key risk to this nascent economic recovery. The COVID-19 Vaccines Global Access program, or COVAX for short, is an international collaboration working to provide equitable access to vaccines to all countries on the globe. The program is a ray of hope that humankind will ultimately conquer the pandemic and that the global economy will then soon stabilise.

The COVID-19 health crisis will have a severe impact on economic activity in 2020



International Monetary Fund

Source: IMF

Indian Economy

Though the Pandemic reached Indian shores relatively late and only started impacting the health of the citizens visibly after mid-March, the government quickly sprang into action and started the nationwide lockdown immediately. This led to severe demand contraction and supply chain disruption in the first quarter of FY2021 and led to a sharp contraction of 24.4% YoY in the quarterly GDP. In late June, the unlock phase began and so did the rollout of the various fiscal and monetary measures announced by the government and the RBI. This helped set the economy and the sentiments on a road to recovery.

The government and RBI both adopted an expansionary policy in sync with the major global economies. On one hand, government consumption spending increased 8% YoY owing primarily to the various relief schemes and social security spending with the aim to revive demand. The RBI, on the other hand, kept an ultra-easy monetary stance while keeping the repo rate at 4%. It supplemented the same with several large open market operations throughout the year. This all resulted in improved economic activity during the unlock phase and the Indian economy, only among a few global economies, delivered sequential growth in the last two quarters.

However, despite all the effort of the government and the RBI, the Indian GDP registered a steep decline of 7.3% in FY2021 as the private consumption and the gross fixed capital formation fell by 6% YoY and 8.6% YoY respectively.

Outlook

The IMF initially estimated India’s GDP growth for FY2022 at 12.5%. This optimism around recovery, albeit on a low base effect, was centred on the broad-based recovery observed across sectors during the fourth quarter of FY2021. However, since then, uncertainty has resurfaced due to the resurgence of the second COVID wave in the country in Mid-April and subsequent lockdowns across states. This threat is further exacerbated by the rise in the mutations of the coronavirus. The lockdown during May 2021 and its aftereffects have led to a scale down in the GDP growth of India by most national and international agencies with current estimates of most agencies lying between 9.0% and 9.5%. The other macroeconomic variables in the economy are largely stable but remain vulnerable to the uncertainties of the global economic environment. The inflation rates are elevated due to the commodity super cycle and increasing food prices. The supply chains of various Industries are still disrupted due to one-off factors like severe supply challenges in the semiconductor industry and regional impact of lockdowns and disruption due to COVID-19.

The outlook for the Indian economy is improving everyday as the vaccination rates in India are positive. The outlook for vaccine production and availability is also improving which has improved business confidence

¹ IMF World Economic Outlook. April 2021

and therefore, economic activity. A multitude of factors like government support, ample liquidity and the rise of a China+1 sourcing strategy are changing global supply chains permanently and are opening doors for Indian corporates.

Industry Overview

COVID-19 has caused economic fallout across sectors. That being said, the Consumer Electronics and Consumer Durables industries have proven to be resilient and have outperformed expectations. Due to the continuance of the WFH culture, the demand for products that offer convenience like ACs, Washing Machines, TVs, Dishwashers etc. has significantly increased.

During the pandemic, e-commerce sales saw a huge uptick, as people were forced to shop online due to the closure of brick-and-mortar stores. The global per cent of online sales for domestic appliances – small and large – rose 10% over 2019. Online growth did not stop once the retail stores opened, showing a change in consumer buying habits. Consumers preferred to buy solutions which would support them and save time in a busy work and schooling from home scenario, which drove the demand for high-quality and energy-efficient products.

With lockdown restrictions having mostly been eased around the country, reports suggest robust liquidation of inventories in the channels. Production plans are seeing month-on-month increases, with the industry being cautiously optimistic. Strong demand is expected, especially for washing machines and refrigerators in the coming months. The industry is hoping that the pricing of open-cell panels, which are inputs for manufacturing TVs, also sees rationalization soon, which should further drive the demand for LED TVs. The season for Air Conditioners and Air Coolers unfortunately suffered due to the pandemic for the second year in a row, but should the country manage to hold off the third wave, we can expect to see a good season coming for the Indian Air Conditioning industry, with strong demand in CY 2022.

PGEL is focussing on capitalizing on these opportunities and is working on growing its product business, in both the OEM and ODM capacities.

Electronic Manufacturing Services (EMS)

The global EMS industry is estimated to be worth USD 832 billion in January 2021² and is projected to grow further to USD 1.06 trillion by 2025. The EMS production in India was estimated to be worth USD 23.5 billion as of 2020. This figure is believed to grow at a CAGR of 45%, and will hit USD 152 billion by 2025, which will still meet only 75% of the country's EMS requirement of US\$ 203 billion in the same year.

The government wants to increase domestic value addition in electronics manufacturing. To develop a robust manufacturing base, it has started making the following moves – providing fiscal incentives to set up local manufacturing facilities, large-scale cluster development, world-class testing facilities, and skilling ecosystems – to name a few. Higher domestic value addition is not possible without contract manufacturers. This is because, for OEMs it becomes difficult to scale or integrate production

of its components. Contract manufacturers offer skills beyond just manufacturing – in terms of design and other value-added services. Thus, a big part of the domestic electronics industry is likely to be in the form of Electronic Manufacturing Service (EMS) or contract manufacturing.

Consumer Durables

Consumer durables which include electronics and appliances witnessed a sharp demand contraction in Q1FY21 due to the outbreak of COVID-19 but recovered quarterly, with Q3FY21 registering a 24% growth rate due to changes in working and consumption trends, and pent up demand³. Festive buying, led by attractive discounts and affordable financing options, also contributed to the demand recovery during the last two quarters of FY21.

Post the demand recovery seen in Q3FY21, the industry has seen sustained demand for in-home consumption products such as washing machines, televisions and lighting products amongst others. Demand for room air conditioners and cooling products is expected to have grown as channel inventory normalized and distributors stocked up anticipating a strong summer season from March to June 2021. The government's focus on an 'Aatmanirbhar Bharat' has created additional growth opportunities and creating strong tailwinds for contract manufacturers.

Air Conditioners

The air conditioning market is seasonal in nature, peaking during the March to June period in India. Domestic demand for ACs is estimated to have grown at a rate of around 15% annually. The long-term demand drivers remain intact for the segment and penetration levels remain low across households. Growths in discretionary income, reductions in operating costs, and the proliferation of easy financing schemes have led to not only shortened product replacement cycles, but also an increasing number of first time purchasers. Due to the changing climate trends, consumer durables like ACs are also now coming to be perceived as utility items rather than luxury possessions in an increasing number of regions of the nation.

Rapid urbanization and a growing population have created a demand for sustainable, clean, and energy-efficient cooling solutions in India, with large parts of the new demand coming from semi-urban and rural parts of the nation.

Air Coolers

The air cooler market in India is driven by factors similar to those driving the AC market such as the tropical climate of major parts of India, rising incomes and a market with still room for more penetration. Furthermore, air coolers command mass-market appeal owing to factors like low upfront and operating costs.

According to various reports based on feedback received from the dealer network in India, strong demand is anticipated for cooling solutions such as air conditioners and air coolers in the coming years. The last two seasons for both have been severely impacted by the COVID-19 leading to

² EMS Task force report on market and industry India – ELCINA, published January 2021

³ CARE Ratings

lockdowns during the peak seasons for both products. There is perceived to be significant pent up demand for the same which is expected to be augmented by demand from sectors like real estate and hospitality industry, which are also expected to start recovering soon.

Washing machines

Increasing globalization is playing an important role in driving the demand for washing machines. We foresee that the demand will only accelerate due to a combination of factors. An increase in dual-income households, the rise of WFH culture and lower availability of domestic workers are all contributing to a decrease in the time India as a nation is spending doing laundry. Middle-class populations are growing, with nuclear families also becoming more common which is expected to further increase the market penetration of washing machines.

Newer technologies have taken over old technologies to address the demand for energy-efficient new-generation products. Governments the world over are urging consumers to use products that are energy-efficient (Bureau of Energy Efficiency – BEE rated). The growing scarcity of water across the globe is compelling manufacturers to make products with technologies that restrict the use of water with growing awareness also encouraging consumers to opt for energy-efficient technologies. The growing affordability of fully automatic options is also aiding in shortening the replacement market for the product.

Televisions

The number of households owning televisions in India increased 6.9% to 210 million at the end of 2020 compared to 196.7 million in 2018. The number of TV viewing individuals in the country increased by 6.7% to 892 million by 2020 from 836 million, earlier in 2018. The growth was driven by rural markets which witnessed additional 10.3 million TV households even as urban markets added nearly 3.2 million TV households over the same period.

While TV ownership has increased in almost all states in 2020, Eastern markets like Assam, Sikkim, Bihar, Jharkhand and Odisha witnessed double digit growth in 2018⁴. The TV market is expected to grow to 28.4 million units by FY25 from 17.5 million units in FY19⁵. The domestic TV market was driven by import restrictions on completely built units (CBU) which accounted for nearly 30% of the domestic market sales and more preference for the large-size segment (43 inches) along with demand for entertainment consumption due to the continuance of working from home culture.

Automotive Components

The transport equipment manufacturing industry contributes approximately 7% of the GDP⁶. The automobile industry in India exhibited resilience after suffering a steep decline in sales in the first two quarters during fiscal 2020-21.

The automobile market was impacted by a transition from BS-IV to BS-VI norms along with issues surrounding labour shortages, manufacturing

shutdowns and zone wise closures in the aftermath of the pandemic. The market was further impacted by the closure of schools and colleges, limited reopening of workplaces and slowdown in the mining and infrastructure sector. The industry witnessed an uptick in sales in the second half of the year, which can be attributed to the phase-wise easing of travel restrictions, a good harvest season and festive demand in H2CY2020.

The sequential growth in the last quarter was impacted significantly due to shortages of semi-conductors which affected production across the world. Furthermore, with economic activity picking pace, shortage of containers and high freight charges affected procurement time thus adding to supply constraints.

The industry has shown considerable resilience while enduring domestic and international headwinds for the past two years. The automobile industry is expected to benefit from policy support such as USD 7.5 billion Production linked subsidy scheme to increase exports, vehicle scrappage policy to promote resales and technological disruptions which will create new markets. The industry is expected to provide 65 million jobs within India and become the third-largest automotive market by volume by 2026⁷. Among the segments, electric vehicle (EV) is expected to grow at a CAGR of 44% between 2020-2027 to reach annual sales of 6.34 million units by 2027⁸.

Company Overview and Operational Highlights

PG Electroplast Limited is the flagship company of the PG Group, which began its operations in 1977, and is one of the leading players in India in Electronics Manufacturing Services. It is a diversified EMS providing OEM and ODM solutions for complete product and component manufacturing. PG has a vast range of capabilities to manufacture plastic moulded components, sheet metal components, printed circuit board assemblies, finished product assemblies, tools and dies, and specialized air conditioner components.

The company is one of the largest plastic component manufacturers for the consumer durables and consumer electronics industries in India. It today provides one-stop solutions to 30+ leading Indian and Global brands.

Plastic Molding

The Plastic Moulding business was about 60% of FY21 consolidated sales and even as it declined by 4% on a year-on-year basis, primarily due to sales losses in Q1FY21. PGEL has one of the largest capacities of making plastic components for the consumer durable industry in India and is supported by its strategic locations in North and West India. PGEL also benefits from long standing relationships with the largest brands of consumer durables industry.

Plastic Moulding used to be the largest business segment in FY19 and FY20, contributing 69% and 81% respectively of the total sales. Due to the changing mix of the business, plastic moulding has come down

⁴ BARC India TV Universe Estimates 2020

⁵ CEAMA + Frost & Sullivan

⁶ Invest India

⁷ National Automotive Mission Plan 2016-26

⁸ India Energy Storage Alliance (IESA)

this year and this trend is expected to continue. That being said, the company is still aggressively pursuing growth from its specialty plastics molding businesses. The company is also getting very good traction from its Sanitaryware business and is significantly expanding by investing in key technologies with the support of its customers for making import substitution products for them in India. PGEL is also seeing good growth from its engineering plastics division.

Products

Products business grew 32% YoY, and contributed 28% to the FY2021 sales despite sales losses in the 1st and 2nd quarters of the financial year. Each of the categories in the products segment had its achievement during the covid-19 impacted year.

- In Washing machines During the year, the company launched 8 new models in the semi-automatic washing machine category and made its first foray into fully automatic top-loading washing machines. The company has also invested in two platforms for fully automatic top loads and began commercial production for its anchor customers in Q1FY2022. We are expecting significant volume traction in this category for the full year.
- In Air conditioners, the company added Outdoor Unit (ODU) assembly line during the year. The company was able to scale up the business and posted over 40% growth despite major sales losses during the 1st and 2nd quarters, some of the peak months for AC sales. The company is investing in ODM solutions for complete AC products and will start supplying the same to customers in FY22.
- In Coolers, Sales got impacted in 1st and 2nd quarters and did not recover. This category posted a 31% decline in sales in value terms due to the lockdowns and steep increases in commodity prices. However, the company has developed 2 platforms for coolers and is launching its ODM offerings in FY22.

Electronics

The company develops printed circuit board assemblies for a wide range of applications, on a turnkey basis (including procurement, assembly, testing, packing & shipping). Our SMT lines & Wave Soldering machines are equipped to handle both RoHS & Non-RoHS PCB Assembly work. Our processes & operations conform to ISO standards, assuring adherence to the highest industry benchmarks.

Today, the major business in the segment is PCB assembly for leading TV manufacturers. This business contributed 6% to the FY2021 Sales and declined 7% during the year due to sales loss in the 1st and 2nd quarters of the financial year. The company is doing a forward integration in this business and has invested in the TV assembly line. The company hopes to start production in this category in FY22.

Tool Manufacturing

The company develops small to medium size moulds for a wide range of applications which include, Automotive Applications, White Goods, Home & Kitchen Appliances, Lighting and Electrical Equipment.

The complete range of services from tool design to tool manufacturing and injection moulding under one roof makes the company a total

tooling solutions provider. During FY2021, this business contributed 1% to the total turnover of the company. This business also acts as an enabler for some of the company's specialty plastic moulding businesses. PGEL has recently upgraded some of the capabilities of its tool room and can now manufacture bigger tools. The company expects this to give its ODM Projects faster turnaround times too as it can manufacture critical tools internally. It is planning investments to augment capabilities and capacities further in this area.

Future Growth Strategy

The Company expects significant traction in plastic moulding in the consumer durables space in washing machines, room air conditioners, refrigerators, ceiling fans and sanitaryware products. Expectations are also rife in the ODM space for air coolers, washing machines and room air conditioners.

In the plastic moulding business, the company has been focusing on the speciality plastics moulding business and gaining traction in the sanitary ware market. Consequently, the company is pursuing further expansion by investing in key technologies for making products to substitute imports for customers in India.

Despite constituting only around 1% of the company's total revenues, the tooling business has significant potential in terms of operating profit margins. The segment also acts as an enabler for the speciality plastic moulding businesses which typically have higher margins. The company has also witnessed recent upgradation in the capability to manufacture large tools for in-house applications. This is expected to result in a faster turnaround in the ODM projects owing to significant time-saving in the design and manufacture of critical tools in-house.

Riding on the tailwinds provided by the shift in the global supply chain away from China and impetus provided to the electronics industry by the incumbent government, the company intends to rebuild its electronics business. In addition to making PCB assemblies for LED TVs for few customers on an OEM basis, the company's new LED TV manufacturing line in Greater Noida is expected to drive the growth for this segment.

In washing machines, the company is targeting good growth in both semi-automatic and fully automatic washing machines. The company has also created substantial capacities for producing washing machines in the Roorkee plant and is likely to witness a significant increase in sales in FY22. The company is also in the process of starting production on washing machines for one of the major national brands in FY22.

In the air coolers business, the company is optimistic of growth in sales in FY22, aided by favourable demand and key investments made by the company. The company is in the process of developing two new platforms of air coolers to be offered as an ODM solution to the customers. Furthermore, the company has entered into a partnership with a leading national brand for developing a completely new platform air cooler and is expected to begin production in H2FY22.

The management is optimistic about the AC business and is investing to create capacities and capabilities for the same. The company has purchased through its 100% subsidiary, a 10-acre plot in the vicinity of the existing facility at Supa, Ahmednagar. The new facility will house an Integrated AC Unit manufacturing plastic moulded components, Heat

Exchanger lines, system copper tubing, cross flow fan manufacturing, and sheet metal components and powder coating treatment capabilities in the first phase of this project.

Also, the company is investing in two platforms of AC IDUs and two platforms of AC ODU's which will enable us to offer more than 50 models spanning the complete range of Room ACs from 0.75-ton models to 2.0-ton models, of various star ratings, both inverter and fixed speed models. These models being developed are compatible with both the 2018 and 2022 energy rating tables.

We are expanding our team for the same, and we have hired several senior professionals from the AC industry, who are now helping us scale our execution capabilities to the next level. The company is well-positioned to manufacture Completely Built Units (CBU) in 2022.

The company will also be applying for the PLI Scheme for White Goods through PG Technoplast, PGEL's wholly-owned subsidiary. We will be applying to manufacture Plastic Moulded Components, Sheet Metal Components, Heat Exchangers, Crossflow Fans, Display Panels and Printed Circuit Boards. We hope to get approval under the scheme and contribute to the Make in India and the Make for the World vision of our government.

Financial Review

All our businesses have done well in FY21, particularly the company's current focus area - the products business that achieved 30% growth over FY2020, despite the sales losses in the first and the second quarter of FY2021 due to the lockdown and its aftereffects. On a full-year basis, despite a complete washout in Q1, the company managed to add 10% top-line growth this year, closing FY21 with a Revenue of ₹ 705 crores as compared to ₹ 641 crores last year. Operating profits grew 23.6%, from ₹ 42 crores to ₹ 52 crores this year. The net profits for the year stood at ₹ 11.6 crores, which is a 344% improvement over last year's profits of ₹ 2.6 crores. The Company has recorded consistent growth in FY21. Depreciation increased by 10.4% to ₹ 18.01 crores in FY21 as compared to ₹ 16.31 crores in FY20. Finance & Interest expense increased by 25% to ₹ 18.44 crores in FY21 from ₹ 14.75 crores in FY20. This is mainly attributed to increase in average borrowings during the year. Profit before Tax before exceptional items (PBT) stood at ₹ 15.94 crores in FY21 as compared to ₹ 11.32 crores in FY20, representing a growth of 40.8% YoY.

The company recorded its highest-ever revenue, operating profit and net profits this year. The company also recorded its highest-ever quarterly sales of ₹ 330 crores in Q4 of FY21, which was an 80% increase from its next best performance, ₹ 184 crores, which it also had achieved only in Q3 of this financial year.

Details of Significant Change in Key Financial Ratios

Ratios	FY 2021	FY 2020	Change
Debtors Turnover (x)	5.66	6.88	-1.22
Inventory Turnover (x)	7.94	9.59	1.65
Interest Coverage Ratio (x)	2.84	2.87	-0.03
Current Ratio (x)	0.99	0.94	0.05
Debt Equity Ratio (x)	0.89	0.97	-0.08
Operating Profit Margin (%)	7.38%	6.23%	1.15%
Net Profit Margin (%)	1.72%	0.34%	1.38%

Ratios	FY 2021	FY 2020	Change
Return on Networth – RoNW(x)	6.31%	1.25%	5.06%

- Net Debt to equity ratio improved to 0.89x in FY2021 as compared to 0.97x in FY2020 mainly due to increase in Equity Shares and profit addition to reserves. Total net debt of the Company remained almost flat at ₹ 1710.9 crores in FY2021 as compared to ₹ 1,702.6 million in FY 2020.
- The exceptional fire related costs post Insurance and forex fluctuation has impacted the profit before tax and provision for Deferred Tax has impacted the Net Profit Margin earned during the year.
- Return on Networth (RoNW) increased to 6.31% in FY 2021 as compared to 1.25% recorded in FY 2020. This is largely attributed due to increase in net profit during the year.

COVID 19 Impact

Due to Covid-19 pandemic and the consequent lock down announced by the Government of India, the operations of the Company were temporarily suspended at manufacturing units. Demand was impacted due to sudden stalling of economic activity as well as reduced movement of people. The businesses in manufacturing units were severely impacted for the month of May, 2021 due to temporary shutdowns at our major customers.

With relaxations granted by the concerned authorities, the Company restarted its operations and focused on regularising operations in a progressive manner. However, the Company has undertaken necessary design changes at manufacturing facilities to ensure sanitization and social distancing. The company is following all relevant government Directives and guidelines regarding health and safety of the workforce. The Company will continuously monitor the implementation of government directives and guidelines at working place.

Human Capital

Human resources remain the most valuable asset of the Company. The Company's Human Resources are commensurate with the size, nature and operations of the Company. PGEL follows a policy of building strong team of talented professionals, motivate people for higher performance and build a competitive working environment for continuous growth for the Company. The Company continues to build on its capabilities in getting the right talent to support different products and is taking effective steps to retain the talent. It has built an open, transparent and progressive culture to nurture this asset.

The Company believes its employees are an integral part of the organisation and hence kept a sharp focus on their personal and professional development and at the same time aligning their goals with that of the Company to create a win-win situation. In pursuance of the Company's commitment to develop and retain the best available talent, PGEL organises various training programmes for upgrading skill and knowledge of its employees in different operational areas. In the endeavour 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.

In a bid to alleviate some of the mental pressures brought upon by the pandemic, the company also announced a new scheme called "PG Cares". As per the scheme, should any employee have an untimely death, the company shall ensure that the family of the employee will continue receiving the former employee's salary for two years. All education expenses for their children until graduation from high school will also be borne by the company.

Environment, Health and Safety (EHS)

Environment, Health and Safety (EHS) forms a vital part of the business and PGEL is strictly adhered to EHS standards and policies at all the processes. Protecting the environment, providing the right working ambience and safeguarding health and safety of employees, contract workers and visitors are top priority of the Company. To attain sustainable growth, the Company is undertaking various initiatives; few of them are listed below:

- CO2 Flooding systems installed at high risk areas
- Daily/Weekly/Monthly/Quarterly Safety audits
- Disaster Management Organization
- Fire Control Room with zone-wise control panels
- Work permit issue system for heavy duty machine operators
- Accident monitoring management
- Management review system for EHS activities

In an effort towards reducing the company's carbon footprint, the company has begun sourcing some of its required electricity from renewable sources. In FY21 the company installed a solar power plant at the Ahmednagar facility, capable of generating 1.28 million units annually and similar arrangements have also been initialized for the Greater Noida plants. These initiatives are expected to help the company lower energy costs and reiterate the company's commitment to sustainable development philosophy.

The main goal behind all the initiatives is to promote safe, healthy and green work environment by adopting efficient technologies.

Internal Control Systems and their Adequacy

The Company has an effective and reliable internal control system. In line with the business operations, PGEL has a well-planned internal control framework that covers various aspects of governance, compliance, audit, control and reporting. It ensured adherence to local statutory requirements for the orderly and efficient conduct of business, safeguarding of assets, the detection and prevention of frauds and errors, adequacy and completeness of accounting records and timely preparation of reliable financial information. The efficacy of the internal checks and control systems is validated by and internal auditors and re-examined by the management. Audit Committee monitors and provides effective supervision of the financial reporting process of the Company to ensure accurate and timely disclosures with the highest level of transparency, integrity and quality. It also confirms the adequacy and effectiveness of internal control systems and suggests the improvements required.

Risks and Mitigation Strategies

Risk management is an inherent part of the Company's business and management is proactive in terms of managing risks in an organised manner. By virtue of the nature of its business, the Company is susceptible to various risks that might arise due to economic, political, legal, environmental, people, operational, currency fluctuation etc. The Company's risk management strategy is governed and monitored by the Risk Management Committee. The executive Management Team regularly reviews the key risks and monitors the mitigating measures adopted by the Company. The Risk Management Committee is evaluating initiatives to further strengthen the risk management framework of the Company considering our growth strategy and the dynamic business environment in which we operate.

Client Business Model Risk

The Company's primary clients are OEM players, who outsource some of the products manufacturing or process to the Company to reduce their costs and achieve scale. The Company's business model would be impacted, in case of any change in their location of business or change in business model of OEMs

Mitigation Measures: The Company's marketing team always stay connected with clients to understand their requirements and business activities. The Company keeps itself up-to-date with clients' business plans and accordingly realigns its capex and opex plans.

Client Concentration Risk

The Company is dependent on a limited number of clients for a majority share of the revenue. This poses a risk to the Company as it may lose any of its key customers or any disruption in the customer's business may affect the company as well.

Mitigation Measures: PGEL has successfully maintained a strong relationship with its key customers. The Company is strategically acquiring new clients and expanding its client base to decrease the risk of client concentration.

Operational Risk

Operational efficiency forms the key factor for the profitability and sustainable growth for the Company and it also determines the Company's competitiveness against other players in the region.

Mitigation Measures: The Company has put together an apt combination of people, processes and technology to optimize the business performance that leads to higher sustainable growth. The management team supervises the internal processes and ensures optimisation in energy conservation, technology absorption and capital efficiencies. The Company's internal control systems are well designed to abide by any size and nature of business complexity.

Peer Risk

PGEL operates in a highly competitive market. The Company might receive high competition from its peers.

Mitigation Measures: The Company is strategically developing in the operational front in terms of expanding capacities, shifting towards

ODM business model, completing backward integration, acquiring new customers and strengthening relationship with the existing ones across all the segments. Through all these factors, PGEL has been able to strengthen its market share and differentiate itself from peers.

Technology Risk

The electronic business of the Company may get affected with rapid change in technology. Any change in end user's preferences, behaviour or usage pattern could adversely impact the growth prospects of the Company.

Mitigation Measures: The Company has always moved ahead in line with the varying market dynamics and rapidly changing technologies. Moreover, PGEL has expanded its product portfolio along with a change in technology in the market. For example, the company is planning to launch fully automatic washing machines in ODM category in line with the change in technology.

Cautionary Statement

Statements in this report on Management Discussion and Analysis, describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied since the Company's operations are influenced by many external and internal factors beyond its control. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, based on any subsequent developments, information or events. Readers are cautioned that the risks outlined here are not exhaustive. Readers are requested to exercise their judgment in assessing the risks associated with the Company.

Directors' Report

DEAR SHAREHOLDERS,

The Board of Directors have pleasure in presenting the Annual Report of the Company along with Audited Financial Statements, for the financial year ended 31st March, 2021.

1. FINANCIAL RESULTS:

Particulars	₹ in Lacs	
	FY 2020-21	FY 2019-20
Revenue from Operations	70,320.65	63,941.71
Other Income	262.13	246.85
Total Income	70,582.78	64,188.56
Finance costs	1,843.58	1,475.45
Depreciation and amortisation expenses	1,801.23	1,631.03
Total Expenses	69,070.57	63,257.61
Profit before Tax	1,512.21	930.95
Total Tax Expenses	350.46	669.48
Profit for the year	1,161.75	261.47
Other Comprehensive Income	52.20	(41.09)
Total Comprehensive Income	1,213.95	220.39
EPS (Basis & Diluted) of ₹10/- each (with OCI)	6.22	1.17
EPS (Basis & Diluted) of ₹10/- each (without OCI)	5.95	1.39

2. PERFORMANCE OVERVIEW:

During the year under review, your company recorded revenue of ₹ 70,582.78 lakh in FY 2020-21 including other income as compared to ₹ 64,188.56 lakh in FY 2019-20, a growth of 10%. The Company has recorded consistent growth in the year ended March 2021. Depreciation increased by 10.4% to ₹ 1,801.23 lakh in FY 2020-21 as compared to ₹ 1,631.03 lakh in FY 2019-20. Interest expense increased by 25% to ₹ 1,843.58 lakh in FY 2020-21 from ₹ 1,475.45 lakh in FY 2019-20. This is mainly attributed to increase in average borrowings during the year. Profit before Tax before exceptional items stood at ₹ 1,593.76 lakh in FY 2020-21 as compared to ₹ 1,131.88 lakh in FY 2019-20 representing a growth of 40.8% YoY. The detailed operational performance of your Company is provided in the Management Discussion and Analysis Report forming part of this report.

3. INCREASE IN ISSUED, SUBSCRIBED, PAID-UP AND AUTHORISED SHARE CAPITAL:

During the period under review, the Company on March 31, 2021 issued & allotted 6,00,000 Fully Convertible Warrants at an issue price of ₹ 150/- aggregating to ₹ 9,00,00,000/- (Rupees Nine Crore Only), convertible into equivalent number of Equity Shares of face value ₹ 10/- by way of preferential allotment to the person belonging to the 'Promoter & Promoter group' and 'Non-Promoter' category as given below:

S. No.	Name of the Allottee	Category	No. of warrants allotted
1.	Mr. Anurag Gupta	Promoter	1,00,000
2.	Mr. Vishal Gupta	Promoter	1,00,000
3.	Mr. Vikas Gupta	Promoter	1,00,000
4.	Mr. Arvind Yeshwant Pradhan	Non-Promoter	2,00,000
5.	Mr. Nikhil Vishnuprasad Bagla	Non-Promoter	50,000
6.	Mrs. Urmila Nikhil Bagla	Non-Promoter	50,000
Total			6,00,000

Further, on March 31, 2021, the Company issued and allotted 1,65,000 Equity Shares of face value of ₹ 10/- each pursuant to conversion of 1,65,000 Fully Convertible Warrants at an issue price of ₹ 150/- each, by way of preferential allotment to the following persons belonging to "Promoter & Promoter Group" and "Non-Promoter" category:

S. No.	Name of the shareholder	No. of Equity shares allotted pursuant to conversion of Warrants
1.	Mr. Anurag Gupta	35,000
2.	Mr. Vishal Gupta	35,000
3.	Mr. Vikas Gupta	35,000
4.	Mr. Arvind Yeshwant Pradhan	60,000
Total		1,65,000

At the end of the year, the Company's issued, subscribed and paid-up capital was 1,96,93,916 Equity Shares of ₹ 10/- each. Details w.r.t. allotment of equity shares on preferential basis pursuant to conversion of warrants are mentioned below:

Date of Members approval through Postal Ballot	28/02/2021												
Date of issue and allotment	31/03/2021												
Method of allotment	Allotment of equity shares to the person belonging to Promoter & Non-Promoter Category on preferential basis due to conversion of Fully Convertible Warrants.												
Issue price, basis of computation of issue price	Issue price of ₹ 150/- The price of the Equity Shares was determined in accordance with the Regulation 164 of (ICDR) Regulations, 2018.												
Particulars of person to whom shares have been issued	The equity shares were allotted to the person belonging to Promoter and Non-Promoter Category of the Company viz. Mr. Anurag Gupta, Mr. Vishal Gupta, Mr. Vikas Gupta and Mr. Arvind Yeshwant Pradhan, respectively.												
Shareholding of promoters and promoter prior to allotment	69.83%												
No. of share allotted	1,65,000 Equity Shares of ₹ 10/- each												
Shareholding of promoter and promoter group post allotment	69.88%												
Post Issue Public Shareholding	30.12%												
Consideration details	The company has received the consideration in cash received in pursuant to issue of Fully Convertible Warrants converted into 1,65,000 Equity Shares at face value of ₹ 10/- each at an issue price of ₹ 150/- each which were allotted as following:												
	<table border="1"> <thead> <tr> <th style="text-align: left;">Allottees</th> <th style="text-align: right;">Equity shares allotted</th> </tr> </thead> <tbody> <tr> <td>Mr. Anurag Gupta</td> <td style="text-align: right;">35,000</td> </tr> <tr> <td>Mr. Vishal Gupta</td> <td style="text-align: right;">35,000</td> </tr> <tr> <td>Mr. Vikas Gupta</td> <td style="text-align: right;">35,000</td> </tr> <tr> <td>Mr. Arvind Yeshwant Pradhan</td> <td style="text-align: right;">60,000</td> </tr> <tr> <td></td> <td style="text-align: right;">1,65,000</td> </tr> </tbody> </table>	Allottees	Equity shares allotted	Mr. Anurag Gupta	35,000	Mr. Vishal Gupta	35,000	Mr. Vikas Gupta	35,000	Mr. Arvind Yeshwant Pradhan	60,000		1,65,000
Allottees	Equity shares allotted												
Mr. Anurag Gupta	35,000												
Mr. Vishal Gupta	35,000												
Mr. Vikas Gupta	35,000												
Mr. Arvind Yeshwant Pradhan	60,000												
	1,65,000												
Date of listing approval of NSE & BSE	NSE approval on 04/05/2021 and BSE on 03/05/2021												

Note: 4,35,000 fully convertible warrants are outstanding as on March 31, 2021.

During FY 2020-21, the Authorized Share Capital of the company increased from ₹ 25,00,00,000/- (Rupees Twenty Five Crore Only) divided into 2,50,00,000 (Two Crores Fifty Lakhs Only) Equity Shares of ₹ 10/- Each to ₹ 35,00,00,000/- (Rupees Thirty Five Crores Only) divided into 3,50,00,000 (Three Crores Fifty Lakh Only) Equity Shares of ₹ 10/- Each. Consequently, the Memorandum of Association of the Company was amended.

4. TRANSFER TO RESERVE:

The Board of Directors of your company has decided not to transfer any amount to the Reserves, for the year under review.

5. DIVIDEND:

The Board of Directors of your company has not to recommend any Dividend for the year under review.

6. STATE OF THE COMPANY'S AFFAIRS:

Business and its operations:

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. The Company is a leading manufacturer of Plastic Molded Parts for Indian consumer electronics, sanitary ware and automotive industry with facilities like plastic moulding, thermoset moulding, plastic blow moulding, PCB assemblies, PU Paint shop, final product assembly and tool manufacturing. The Company extends end-to-end assembly solutions for final products like Set Top boxes, Air Conditioners, Washing Machines and Air-Coolers.

Key business developments:

The company recorded its highest-ever revenue, operating profit and net profits this year. The company also recorded its highest-ever quarterly sales of ₹ 330 crores in Q4 of FY21, which was an 80% increase from its next best performance, ₹ 184 crores, which it also had achieved only in Q3 of this financial year.

The Plastic Moulding business was about 60% of FY21 consolidated sales and declined 4% year on year. This was primarily due to the sales losses in Q1FY21. The company has one of the largest capacities of making plastic components for the consumer durable industry in India. This business is supported by our strategic locations in North and West India and long-standing relationships with the largest brands of the consumer durables industry.

Plastic Moulding used to be the largest business segment in FY19 and FY20, contributing 69% and 81% respectively of the total sales. Due to the changing mix of the business, it has come down to 55% in 4QFY21. The company continue to grow organically while also aggressively pursuing growth from our speciality plastics moulding businesses. We are getting very good traction from our Sanitary ware business and we are significantly expanding by investing in key technologies with the support of our customers for making import substitution products for them in India.

AC Business so far has been an entirely OEM business. The Company is in the process of developing two new platforms for Room AC Indoor Units, and two platforms for Room AC Outdoor Units for 2022. These platforms will allow PG to offer ODM solutions for most AC models popular in the Indian market ranging from 0.8T to 2.0T, Fixed Speed and Inverter models. All these models are being developed keeping in mind the new BEE rating standards that will come into force from 2022.

Last year, the Company launched 8 new models in the Semi-Automatic washing machine category. In FY21, the company made its first foray into Fully Automatic Top Loading Washing Machines. The company also has invested in two platforms of fully automatic top loads and started commercial production in June 2021.

The company's Roorkee plant has been upgraded and has come back online as a dedicated Washing Machine manufacturing facility. The Company expanded the capacities for the same substantially, and with the rollout of our new models this year, we expect to see a big jump in the numbers coming from this division too.

The Air Cooler division's sales have been muted this year primarily because of our customers' carried forward inventories due to the lockdown in the first quarter of FY21. This was further compounded by the steep rise in commodity prices resulting in a lower offtake

from our customers. Our company has developed 2 new platforms of air coolers which the Company will be offering as an ODM solution to our customers in the coming season.

The Tooling business, which constitutes about 1% of our revenues today has very high potential. This business not only has high EBIDTA margins but this business also acts as an enabler for some of our speciality plastic moulding businesses which typically tend to have higher margins also. The Company recently upgraded some of the capabilities of our tool room, and we can now manufacture bigger tools. The Company expect this to give our ODM Projects faster turnaround times as instead of approaching overseas vendors and manufacture the critical tools internally itself.

The Company is trying to rebuild its electronics business. Right now, the Company is making PCB assemblies for LED TVs for a few customers on an OEM basis. The company is also exploring opportunities to start manufacturing complete LED TVs in the coming year.

Capital expenditure Activities:

During the year, company has incurred ₹ 3,923.31 lakh on capital expenditures which includes new addition to the fleet of injection moulding machines, Pick & place machine, new ODM model based moulds of Washing machines. Also, the Company has invested in construction of new building/floors which has increased the covered area.

7. CREDIT RATING:

During the year, the Credit Rating Agency 'Brickwork Ratings India Pvt. Ltd.' has assigned to the Company, a long term rating "BWR BBB+" on 24/07/2020.

8. INVESTOR EDUCATION AND PROTECTION FUND:

The Company did not have any outstanding amount of unclaimed/unpaid dividend and the corresponding shares.

9. MANAGEMENT:

Board of Directors:

- a) During the year, the Board of Directors appointed Mr. Kishore Kumar Kaul (DIN: 07339035) as an Additional Director in capacity of Non-Executive Independent Director w.e.f. 26/01/2021.
- b) Mr. Pramod Chimmanlal Gupta (DIN: 07066493) tendered his resignation and ceased to be an Independent Director of the Company from close of business hours of 25/01/2021 due to personal reasons and for his proposed appointment as Chief Financial Officer of the Company.
- c) Mr. Devendra Jha (DIN:03076528) tendered his resignation and ceased to be an Independent Director of the Company from close of business hours of 08/02/2021 due to health issues.
- d) Mr. Bhawa Nand Choudhary (DIN: 05166209) ceased to be the

Managing Director of the Company from close of business hours of 31/03/2021 due to retirement.

- e) The Board of Directors in their meeting held on 31/03/2021, appointed/designated Mr. Vishal Gupta (DIN:00184809), Whole-Time Director as Managing Director-Finance of the Company w.e.f. 01/04/2021.
- f) The Board of Directors in their meeting held on 31/03/2021, appointed/designated Mr. Vikas Gupta (DIN:00182241), Whole-Time Director as Managing Director-Operations of the Company w.e.f. 01/04/2021.
- g) Mrs. Rita Mohanty (DIN: 07081546) tendered her resignation and ceased to be an Independent Director of the Company w.e.f. 15/05/2021 due to personal reasons.
- h) Mr. Ram Dayal Modi (DIN: 03047117) was appointed as an Additional Director (in capacity of Non-Executive Independent Director) of the Company w.e.f. 26/05/2021.
- i) Ms. Mithali Chitre (DIN: 09040978) was appointed as Nominee Director (Non- Executive Director) of the Company on behalf of Baring Private Equity India AIF Company w.e.f. 02/07/2021.
- j) Ms. Ruchika Bansal (DIN: 06505221) was appointed as an Additional Director (in capacity of Non-Executive Independent Director) of the Company w.e.f. 14/08/2021.

Regularisation of appointment of persons mentioned above in point no. (a), (e), (f), (h) (i) and (j) has been recommended by the Board of Directors at the ensuing Annual General Meeting. Details w.r.t. their appointment forms part of the Explanatory Statement of the Notice of Annual General Meeting annexed with the Annual Report.

Disclosures under Section II of Part II of Schedule V of the Companies Act, 2013:

- (i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors including detail of fixed component is mentioned in Corporate Governance Report as Annexure I.
- (ii) Service contracts, notice period, severance fees: N.A.
- (iii) Stock option details: N.A.

In accordance with the provisions of the Companies Act 2013, Mr. Vishal Gupta, Director of the Company will retire by rotation at the ensuing Annual General Meeting 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 2020-21, 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.

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 as well as under Regulation 16 of SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015 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.

Key Managerial Person:

During the year under review, Mr. Praveen Datt Agarwal resigned as Chief Financial Officer of the Company w.e.f. close of Business hours on 31/05/2020.

Thereafter, Mr. Mahabir Prasad Gupta was appointed as Chief Financial Officer of the Company w.e.f. 23/06/2020. He held the position of Chief Financial Officer of the Company till the close of Business hours on 31/01/2021.

Thereafter, Mr. Pramod Chimmanlal Gupta was appointed as Chief Financial Officer of the Company w.e.f. 01/02/2021.

10. MEETINGS OF BOARD OF DIRECTORS & ITS COMMITTEES.

Six 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.

During the year, no such instances occurred that the Board has not accepted any recommendation of the Audit Committee.

11. BOARD EVALUATION AND FAMILIARIZATION PROGRAMME:

The Nomination & Remuneration Committee has carried out a formal annual evaluation of performance of the Board itself through a structured questionnaire after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance, of 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.

The Nomination & Remuneration Committee evaluated the performance of each and every director of the company and each member of the committee and expressed satisfaction over their performance.

Further, the Independent Directors also, at their separate meeting hold on March 31, 2021 reviewed the performance of chairman of the Board, non-independent directors and the Board as a whole and assessed the quality, quantity and timeliness of flow of information between the company management and the Board. They expressed satisfaction over the said subject matter.

The details of program for familiarization of Independent Directors of your Company are available at web-link http://www.pgel.in/pdf/codes-policies/FP_ID.pdf

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

Corporate Governance Report, are presented as 'Annexure I' and Management Discussion & Analysis Report as stipulated under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 forms integral part of this report. Compliance certificate on corporate Governance, issued by M/s Puja Mishra & Co., Practicing Company Secretary also form a part of the said Corporate Governance Report.

13. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Company has adopted a Nomination and Remuneration Policy. Salient features of this policy are attached as 'Annexure II' to this report.

14. REMUNERATION OF DIRECTORS AND 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 III' forming part of this report.

During the period under review, the Managing/Whole time Director of the company were not in receipt of any commission from the company.

15. DIRECTORS RESPONSIBILITY STATEMENT:

To the best of knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(3)(c) of the Act:

- a) that in the preparation of the Annual Accounts for the year ended March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit of the Company for the year ended on that date
- c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d) the annual accounts have been prepared on a going concern basis;
- e) that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. INTERNAL FINANCIAL CONTROL SYSTEMS, THEIR ADEQUACY AND RISK MANAGEMENT:

The establishment of an effective corporate governance and internal control system is essential for sustainable growth and long-term improvements in corporate value, and accordingly your Company works to strengthen such structures. Your 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.

17. STATUTORY AUDITORS & THEIR REPORT:

M/s Chitresh Gupta & Associates, Chartered Accountants (Firm Registration No. 017079N) were appointed as Statutory Auditors of the Company from the conclusion of the 15th Annual General Meeting till the conclusion of 19th Annual General Meeting (AGM) of the Company.

The Report of Statutory Auditor's - M/s Chitresh Gupta & Associates, on Financial Statements for the year ended on March 31, 2021 are part of this Annual Report. The Statutory Auditor's Report does not contain any qualification, reservation or adverse remarks. No fraud has been reported by the Auditor.

18. 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 Pujja Mishra & Co., Practicing Company Secretary for conducting secretarial audit of Company for the financial year 2020-21. Their report is annexed with Board Report as 'Annexure IV'. The Secretarial auditor's report does not contain any qualification, reservation or adverse remarks. The auditors have also given a certificate of Non-disqualification of directors as on March 31, 2021 annexed with Board Report as 'Annexure V'.

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

19. 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 2021-22 and recommended ratification of their remuneration by the shareholders at the ensuing annual general meeting. The Company has maintained cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 w.r.t. the business activities carried out by the Company.

20. DISCLOSURES RELATING TO SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:

During the year under review, the Company has acquired a PG Group Company namely M/s PG Technoplast Private Limited as Wholly Owned Subsidiary of the Company on December 17, 2020.

M/s PG Technoplast Private Limited has not yet commenced any business operations as on March 31, 2021.

Pursuant to the provisions of Section 129 (3) of the Companies Act, 2013, a statement containing the salient features of the financial statements of all the Subsidiaries in form AOC-1 is annexed hereto as Annexure-VI and, hence, not repeated here for the sake of brevity.

A copy of the audited financial statements of each of the subsidiary companies and English translation thereof will be kept for inspection for any Member of the Company at Corporate Office during business hours. Further, pursuant to the provisions of Section 136 of the Companies Act, 2013, these financial statements are also placed on the Company's website www.pgel.in. Copy of these financial statements shall be made available to any Member of the Company, on request.

21. DEPOSITS:

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

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

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to Financial Statements.

23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

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 VII'.

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 Obligations & 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.

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/codes-policies/RelatedPartyTransactionsPolicy.pdf>

24. CORPORATE SOCIAL RESPONSIBILITY (CSR):

During the preceding financial year 2020-21, the Company was not required to spend on CSR activities. Details of composition of CSR Committee and computation of average net profit are set out in 'Annexure VIII' to this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

CSR Policy, adopted by the Company, is available on its website at link <http://www.pgel.in/pdf/codes-policies/CSRPOLICY.pdf>

25. EMPLOYEES STOCK OPTION SCHEME:

The Company has in place a 'PG Electroplast Employees Stock Option Scheme – 2020' (Scheme) to enhance the employee engagement, to reward the Employees for their association and performance as well as to motivate them to contribute to the growth and profitability of the Company. The Board of Directors in its meeting held on November 05, 2020 and the shareholders of the company through postal ballot on February 28, 2021 approved the Scheme to create, grant, offer, issue and allot to the employees of the Company and its subsidiary company(ies) under the Scheme, in one or more tranches, a maximum of 2% of issued and paid-up capital of the Company.

During FY 2020-21, there has been no change in the Scheme. Also, the Company has not yet granted any options to the employees under the scheme during FY 2020-21. In compliance with the requirements of the SEBI (Share Based Employee Benefits) Regulations, 2014 (SBEB Regulations), a certificate from auditors confirming implementation of the Scheme in accordance with the said regulations and shareholder's resolution, will be available electronically for inspection by the members during the annual general meeting of the Company. Disclosure pursuant to the provisions of the SBEB Regulations is annexed with Board Report as 'Annexure IX'.

26. 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 were no complaints received through the said mechanism during the financial year 2020-21.

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

27. ANNUAL RETURN:

Pursuant to Section 92(3) read with section 134(3)(a) of the Companies Act, 2013, copies of the Annual Returns of the Company prepared in accordance with Section 92(1) of the Act read with Rule 11 of the Companies (Management and Administration) Rules, 2014 are placed on the website of the Company and is accessible at the http://www.pgel.in/pdf/Annual_Return_2020-21.pdf

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

(A) Conservation of Energy:

The key focus area in our operations is conservation of energy. We endeavor to conserve energy and continuously make efforts to optimize use of fuels, power & water. The following steps have been taken for conservation of energy:

- The Company has installed variable frequency drivers in all electric motors which have helped sustain a lower power factor.
- Using inverter 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.
- Shop floors which run manufacturing process have been

transitioned to LED highbay lights which have further reduced the energy costs by about 60%.

- The Company purchased several Injection Moulding Machines that use Servo-Hybrid Technologies which use 60% less power than older Injection Moulding Machines.
- A turbo ventilation system has been installed on all roofs which has reduced the use of exhaust fans.
- The Company is also maintaining a power factor of about close to 1.
- All street lights & main machine flow highbay lights have been substituted for greener LED alternatives.
- 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:

- The bigger moulding machines on the shop floor have been fitted with an automatic conveyor line, thereby reducing production cost while enhancing product quality.
- 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.
- New Blow Moulding Equipment has also been installed.
- Additional PCB & SMT assembly-cum-automation machines have been purchased thereby increasing production capacity.
- Industrial robots are being installed on injection moulding machines which will reduce manpower cost.
- Injection moulding machines with servo drive technology have been added to the facilities.

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

(C) Foreign exchange earnings and Outgo-

Particulars	₹ in Lacs	
	2020-21	2019-20
Foreign Exchange Earnings	12.07	-
Foreign Exchange Outgo	6,033.70	6,485.76

29. SIGNIFICANT & MATERIAL REGULATORY ORDERS:

During the reporting period, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

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

The Board of Directors of the Company at their meeting held on July 01, 2021 allotted:

- 10,76,904 Compulsorily Convertible Debentures ("CCDs") having face value of ₹ 337/- each, at a Coupon Rate of 17.96% p.a. compounded annually, being convertible into equity shares of the Company at a conversion price of ₹ 337/- each, as determined in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, by way of preferential allotment to the persons belonging to the 'Public Category'.
- 11,95,950 Equity Shares of the face value of ₹ 10/- each fully paid up at an Issue Price of ₹ 337/- per share, for cash, to allottees belonging to the Public Category.

The Post allotment, Paid-up Equity Capital of the Company stands increased to ₹ 20,88,98,660/- comprising of 2,08,89,866 Equity Shares of ₹ 10/- each.

The Company have also incorporated a Wholly Owned Subsidiary in name of 'PG Plastronics Private Limited' on June 22, 2021 with paid-up share capital of ₹ 2,00,000/- consisting of 20,000 equity shares of ₹ 10/- each.

Except details mentioned above, there is no material change and commitment occurred between March 31, 2021 and date of this report, which may affect financial position of the Company.

31. COMPLIANCE OF APPLICABLE SECRETARIAL STANDARD:

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

Date: 14/08/2021
Place: Greater Noida

32. DISCLOSURES PERTAINING TO THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

In order to comply with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has formulated and implemented a policy on prevention, prohibition and redressal of complaints related to sexual harassment of women at the workplace. All employees whether permanent, temporary or contractual are covered under the above policy. The said policy has been uploaded on the internal portal of the Company for information of all employees. An Internal Complaint Committee (ICC) has been set up in compliance with the said Act.

The following is a summary of sexual harassment complaints received and disposed of during the year:

- Number of complaints pending at the beginning of the year: NIL
- Number of complaints received during the year: NIL
- Number of complaints disposed off during the year: NIL
- Number of cases pending at the end of the year: NIL

ACKNOWLEDGEMENT

The Directors extended their vote of thanks to the Company's employees, customers, vendors, business associates investors and all stakeholders for their continuous support. The Directors also thank the Government of India, Governments of various states in India, Governments of various countries and concerned Government departments and agencies for their co-operation. The Directors appreciate and value the contribution made by every member of the PG Group.

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

(Mr. Anurag Gupta)

Chairman
DIN: 00184361
B-15, Kalindi Colony,
Delhi-110065

(Mr. Vikas Gupta)

Managing Director- Operations
DIN: 00182241
B-15, Kalindi Colony,
Delhi-110065

Annexure-I

REPORT ON CORPORATE GOVERNANCES

For the year 2020-21

[Pursuant to regulation 34(3) and Schedule V(C) of the SEBI (Listing Obligations and Disclosure 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 in 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 way, 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 31st March, 2021 is as set out hereunder:

2) BOARD OF DIRECTORS:

a) Composition and category of directors

Composition as on 31st March, 2021:

Name	Designation	Category
Mr. Bhawa Nand Choudhary	Managing Director	Executive
Mr. Anurag Gupta	Whole time Director	Promoter, Executive
Mr. Vishal Gupta	Whole time Director	Promoter, Executive
Mr. Vikas Gupta	Whole time Director	Promoter, Executive
Mr. Sharad Jain	Director	Independent Non-Executive

Name	Designation	Category
Mr. Kishore Kumar Kaul	Director	Independent Non-Executive
Mrs. Rita Mohanty	Director	Independent Non-Executive

Notes for Point 2 (a)(b)(c)(d) & (f):

The appointment of Mr. Bhawa Nand Choudhary was regularized at the 18th Annual General Meeting held on 29/09/2020 as Managing Director of the Company for a period of three consecutive years w.e.f. 23/12/2019.

During the year, the Board has appointed Mr. Kishore Kumar Kaul (DIN: 07339035) as an additional Director in capacity of Non-Executive Independent Director w.e.f. 26/01/2021.

Mr. Pramod Chimmanlal Gupta (DIN: 07066493) tendered his resignation and ceased to be an Independent Director of the Company from close of business hours of 25/01/2021 due to personal reasons and his proposed appointment as Chief Financial Officer of the Company. He also confirmed that there were no material reasons for his resignation as specified above.

Mr. Devendra Jha (DIN:03076528) tendered his resignation and ceased to be an Independent Director of the Company from close of business hours of 08/02/2021 due to health issues. He also confirmed that there were no material reasons for his resignation as specified above.

Mr. Bhawa Nand Choudhary (DIN: 05166209) (age 68 years) retired and ceased to be the Managing Director of the Company from close of business hours of 31/03/2021.

Mr. Vishal Gupta (DIN:00184809), Whole-Time Director was appointed as Managing Director-Finance of the Company w.e.f. 01/04/2021.

Mr. Vikas Gupta (DIN:00182241), Whole-Time Director was appointed as Managing Director-Operations of the Company w.e.f. 01/04/2021.

Mrs. Rita Mohanty (DIN: 07081546) tendered her resignation and ceased to be an Independent Director of the Company w.e.f. 15/05/2021 due to personal reasons. She also confirmed that there were no material reasons for his resignation as specified above.

b) Dates of Board Meetings (BM) held and Attendance of each Director at the meeting and the last Annual General Meeting (AGM):

Name of the Directors	BM held on 23/06/2020	BM held on 13/08/2020	BM held on 05/11/2020	BM held on 16/12/2020	BM held on 25/01/2021	BM held on 31/03/2021	AGM held on 29/09/2020
Mr. Bhawa Nand Choudhary	√	√	√	√	√	√	√
Mr. Anurag Gupta	√	√	√	√	√	√	√
Mr. Vishal Gupta	√	√	√	√	√	√	√
Mr. Vikas Gupta	√	√	√	√	√	√	√
Mr. Devendra Jha	√	√	√	√	√	NA	
Mr. Sharad Jain	√	√	√	√	√	√	√
Mrs. Rita Mohanty	√	√	√	√	√	√	√
Mr. Pramod Chimmanlal Gupta	√	√	√	√	√	NA	√
Mr. Kishore Kumar Kaul	NA	NA	NA	NA	NA	√	NA

c) Number of Board Meetings (BM) held and attended by each director during the financial year 2020-21:

Name of the Directors	Number of BM held and entitled to attend	Number of BM attended
Mr. Bhawa Nand Choudhary	6	6
Mr. Anurag Gupta	6	6
Mr. Vishal Gupta	6	6
Mr. Vikas Gupta	6	6
Mr. Devendra Jha	5	5
Mr. Sharad Jain	6	6
Mrs. Rita Mohanty	6	6
Mr. Pramod Chimmanlal Gupta	5	5
Mr. Kishore Kumar Kaul	1	1

d) Number of other board of directors or committees etc.:

Name of the Directors	Number of other board of directors in which a director is a:		Number of other committees in which a director is a		Names of the listed entities where the person is a director and the category of directorship
	Member	Chairperson	Member	Chairperson	
Mr. Bhawa Nand Choudhary	0	0	0	0	Nil
Mr. Anurag Gupta	5	3	0	0	Nil
Mr. Vishal Gupta	5	2	0	0	Nil
Mr. Vikas Gupta	6	1	0	0	Nil
Mr. Sharad Jain	0	0	0	0	Nil
Mrs. Rita Mohanty	0	0	0	0	Nil
Mr. Kishore Kumar Kaul	0	0	0	0	Nil

e) Disclosure of relationships between directors inter-se:

Mr. Anurag Gupta, Mr. Vikas Gupta and Mr. Vishal Gupta are related to each other as family members, no relationship exists among other directors.

f) Number of shares and convertible instruments held by non-executive directors:

Name of Directors	Number of shares	Number of convertible securities
Sharad Jain	Nil	Nil
Rita Mohanty	Nil	Nil
Kishore Kumar Kaul	Nil	Nil

g) Web link where details of familiarisation programmes imparted to independent directors is disclosed:

The details of model of familiarization program are available on link http://www.pgel.in/pdf/codes-policies/FP_ID.pdf

h) Skills/expertise/competence:

The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Name of the Directors	Area of Expertise						
	Strategy and Planning	Governance	Technical skills			Behavioural	Forward and Conceptual Thinking
			Accounts and Finance	Sales and Marketing	Industry Experience		
Mr. Bhawa Nand Choudhary	√	√	√	√	√	√	√
Mr. Anurag Gupta	√	√			√	√	√
Mr. Vishal Gupta	√	√	√	√	√	√	√
Mr. Vikas Gupta	√	√	√	√	√	√	√
Mr. Sharad Jain	√	√	√		√	√	√
Mrs. Rita Mohanty	√	√			√	√	√
Mr. Kishore Kumar Kaul	√	√	√		√	√	√

In the table above, the specific areas of focus or expertise of individual Board members have been highlighted. However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skill.

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:

i) Confirmation:

In the opinion of the board, the independent directors fulfill the conditions specified in the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and are independent of the management.

Further, the Company has received 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 (Listing Obligations & Disclosure Requirements) Regulations, 2015.

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee; and
- statement of deviations:
 - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

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

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

During the year 2020-21, Five (5) meetings of the Audit Committee took place on following date:

- (1) 23/06/2020 (2) 13/08/2020 (3) 05/11/2020 (4) 25/01/2021 and (5) 31/03/2021.

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	4
Mr. Devendra Jha*	Member	Non-Executive Independent Director	4
Mr. Vishal Gupta	Member	Executive Director	4
Mr. Pramod Chimmanlal Gupta**	Member	Non-Executive Independent Director	4
Mr. Kishore Kumar Kaul***	Member	Non-Executive Independent Director	1

*Mr. Devendra Jha tendered his resignation as Non-Executive Independent Director of the Company and consequently ceased to be a member of Audit Committee from the close of business hours on 08/02/2021.

**Mr. Pramod Chimmanlal Gupta tendered his resignation as Non-Executive Independent Director of the Company and consequently ceased to be a member of Audit Committee from the close of business hours on 25/01/2021.

***Mr. Kishore Kumar Kaul was appointed as a member of the Audit Committee with category of Non-Executive Independent Director of the Company w.e.f. 26/01/2021.

The Company Secretary i.e. Mr. Sanchay Dubey 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 29/09/2020.

During the financial year 2020-21, there were no instances in which Board has rejected any recommendations made by Audit Committee.

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; whether to extend or continue the term of appointment of the independent director on the basis of the report of performance evaluation of independent directors and recommend to the board, all remuneration, in whatever form, payable to senior management.

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, 2021, Committee comprises of three Non-Executive Independent Directors. The Company Secretary acts as a secretary to the Committee.

Composition of Nomination & Remuneration Committee, details of Meeting & attendance of Directors:

During the year 2020-21, Four (4) meetings of the Nomination & Remuneration Committee took place on following date:

(1) 23/06/2020 (2) 05/11/2020 (3) 25/01/2021 and (4) 31/03/2021.

The composition of the Nomination & Remuneration Committee during the year and attendance of each member at the Committee Meetings are as given below:

Name of Members	Category	Status in Committee	No. of Meeting Attended
Mr. Devendra Jha#	Independent Director	Chairman	4
Mrs. Rita Mohanty	Independent Director	Member	4
Mr. Pramod Chimmanlal Gupta*	Independent Director	Member	3
Mr. Kishore Kumar Kaul**	Independent Director	Member	1
Mr. Sharad Jain***	Independent Director	Chairman	1

#Mr. Devendra Jha tendered his resignation as Non-Executive Independent Director of the Company and consequently ceased to be a member of the Nomination & Remuneration Committee from the close of business hours on 08/02/2021.

*Mr. Pramod Chimmanlal Gupta tendered his resignation as Non-Executive Independent Director of the Company and consequently ceased to be a member of the Nomination & Remuneration Committee w.e.f. the close of business hours of 25/01/2021.

**Mr. Kishore Kumar Kaul was appointed as the member of the Nomination and Remuneration Committee w.e.f. 26/01/2021.

***Mr. Sharad Jain was appointed as the Chairman of the Nomination and Remuneration Committee w.e.f. 26/03/2021.

Performance evaluation criteria for Independent Directors:

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

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, 2021 has been provided in following tables:

a. Remuneration to Chairman-cum-Managing Director and Whole-Time Directors:

₹ in Lacs

Name of the Directors	Salary and Perquisites	Name of other component of remuneration	Bonus/Commission/ Stock Option/ Performance Linked Incentive	Total
Mr. Bhawa Nand Choudhary*	27.66	-	Nil	27.66
Mr. Anurag Gupta	85.07	-	Nil	85.07
Mr. Vishal Gupta	111.88	-	Nil	111.88
Mr. Vikas Gupta	115.18	-	Nil	115.18
Total	339.79	-	Nil	339.79

Note:

*Mr. Bhawa Nand Choudhary (DIN: 05166209) (age 68 years) retired and ceased to be the Managing Director of the Company from close of business hours of 31/03/2021.

b. Remuneration to Non-Executive Directors

Name of the Directors	Mr. Sharad Jain	Mr. Devendra Jha*	Mrs. Rita Mohanty	Mr. Pramod Chimmanlal Gupta**	Kishore Kumar Kaul#	Total Sitting Fees
Sitting Fees	2.10	1.70	1.80	1.50	0.50	7.60
Other	0	0	0	0	0	0

Non-Executives Directors are paid only setting fees.

*Mr. Devendra Jha tendered his resignation and ceased to be a Non-Executive Independent Director of the Company from the close of business hours on 08/02/2021.

**Mr. Pramod Chimmanlal Gupta tendered his resignation and ceased to be a Non-Executive Independent Director of the Company from close of business hours of 25/01/2021.

#Mr. Kishore Kumar Kaul was appointed as an additional Director in capacity of Non-Executive Independent Director of the Company w.e.f. 26/01/2021.

Services of the Managing Director and Executive Director may be terminated by either party, giving the other party six months' notice or the Company paying six months' salary in lieu thereof. There is no separate provision for payment of severance pay.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

As on March 31, 2021, Company's Stakeholders Relationship comprises of three members.

- Mr. Sharad Jain (Chairman, Non-Executive Independent Director),
- Mr. Vishal Gupta, and
- Mr. Anurag 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	0	0

Name of the Non-Executive Director heading the committee: Mr. Sharad Jain

Name and Designation of Compliance Officer: Mr. Sanchay Dubey, Company Secretary

Mailing Address: PG Electroplast Limited, P-4/2 to 4/6, Site B, UPSIDC Industrial Area, Surajpur, Greater Noida, Dist. Gautam Budh Nagar, (U.P.) PIN-201306

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

6A. OTHER COMMITTEES OF BOARD:

As on March 31, 2021, the Board of the Company has three more Committees, namely, CSR Committee, Executive Committee and Corporate Committee details of which are as follows:

Name of the Committee	Term of reference (Brief)	Composition other details
CSR Committee	<p>A. Formulation and recommendation to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject specified in Schedule VII of the Companies Act, 2013,</p> <p>B. To recommend the amount of expenditure to be incurred on the activities referred in above mentioned Para A,</p> <p>C. Monitoring CSR Policy of the company from time to time, and</p> <p>D. Any other matter as the CSR Committee may deem appropriate after approval of Board of Directors or as may be directed by the Board of Directors from time to time.</p>	<p>1. Mrs. Rita Mohanty, Non-Executive Independent Director (Chairperson)</p> <p>2. Mr. Vishal Gupta, Executive Director (Member) and</p> <p>3. Mr. Anurag Gupta, Executive Director (Member)</p>

Name of the Committee	Term of reference (Brief)	Composition other details
Executive Committee	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.	1. Anurag Gupta, Executive Director (Chairperson), 2. Vishal Gupta, Executive Director (Member), 3. Vikas Gupta, Executive Director (Member) and 4. Bhawa Nand Choudhary, Managing Director (Member)
Corporate Committee	Board has delegated certain powers to Corporate Committee to do all such acts, deeds, and things, as it deems necessary or desirable in connection with offering, issuing, and allotting the Securities, including, but not limited to such terms and conditions, as the Committee may deem fit and proper in its absolute discretion.	1. Vishal Gupta, Executive Director (Chairman) 2. Vikas Gupta, Executive Director (Member)

7. GENERAL BODY MEETINGS

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

Annual General Meeting	Date and Time	Location	Special Resolution
18th Annual General Meeting	29/09/2020 at 11:00 A.M.	Conducted through Video Conferencing at P-4/2 TO 4/6, Site-B, UPSIDC Industrial Area, Surajpur, Greater Noida (UP)-201306	Two
17th Annual General Meeting	09/08/2019 at 11:00 A.M.	Auditorium, Asia Pacific Institute of Management, No. 3 & 4 Institutional Area, Jasola, Opp. Sarita Vihar, New Delhi - 110025	Three
16th Annual General Meeting	29/09/2018 at 10.30 A.M.	Auditorium, Asia Pacific Institute of Management, No. 3 & 4 Institutional Area, Jasola, Opp. Sarita Vihar, New Delhi – 110025	Nil

During the financial year 2020-21, the company convened EGM through Postal Ballot to accord approval of shareholders of the company for following special resolutions:

- 1) Issue of warrants on preferential basis to Promoters & Non-Promoters.
- 2) Approval of PG Electroplast Employees Stock Option Scheme – 2020.
- 3) Approval of grant of Employee Stock Options and extending benefits of PG Electroplast Employees Stock Option Scheme – 2020 to the Employees of Subsidiary Company(ies).

4) Acquisition of Shares by the way of secondary acquisition under PG Electroplast Employees Stock Option Scheme – 2020.

5) Provision of money by the company for purchase of its own shares by the Trust/Trustees for the benefit of Employees under PG Electroplast Employees Stock Option Scheme – 2020

Date of Postal Ballot Notice: 25/01/2021

Date of shareholders' approval: 28/02/2021

Date of declaration of postal ballot results (including e-voting): 01/03/2021

All special resolutions were passed by requisite majority.

Brief description of Special Resolutions passed in last three AGMs:**18th Annual General Meeting: TWO**

1. To approve borrowing Limits of the company.
2. To authorize the Board of Directors to create/modify charge.

17th Annual General Meeting: THREE

1. Re-appointment of Mr. Sharad Jain as an Independent Director of the Company.
2. Re-appointment of Mr. Devendra Jha as an Independent Director of the Company.
3. Re-appointment of Dr. Rita Mohanty as an Independent Director of the Company.

16th Annual General Meeting: NIL**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. However, results for quarter ended March, were announced in compliance with the extension received from the Stock Exchange and Ministry of Corporate Affairs due to outbreak of COVID 19. The said information was sent to the concerned stock exchanges viz. BSE & NSE immediately after approval from the Board and

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001

National Stock Exchange of India Limited
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 2020-21 & 2021-22 have been paid.

e) Stock Code: ISIN No. INE457L01011

Scrip Code in BSE	533581
Scrip Symbol in NSE	PGEL

published on the Website of the Company, Newspapers, and Website of Stock Exchanges.

(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 & official news release are displayed on the Company's website www.pgell.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.pgell.in.

9. GENERAL SHAREHOLDERS INFORMATION:

- a) AGM: Date, time & Venue: 29/09/2021 at 11.00 A.M. at through video conferencing or any other audio visual means.
- b) Financial Year: April 01, 2020 to March 31, 2021.
- 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.

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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, 2021 are as under:

Month	NSE		BSE	
	High Price	Low Price	High Price	Low Price
Apr-20	43.85	28.15	43.50	28.25
May-20	38.80	32.25	38.65	31.95
Jun-20	53.50	33.50	52.60	33.90
Jul-20	45.45	35.50	45.00	36.65
Aug-20	56.45	43.00	56.25	43.00
Sep-20	84.70	46.10	86.00	46.25
Oct-20	111.95	76.75	115.90	76.80
Nov-20	155.85	99.05	156.00	98.05
Dec-20	171.95	131.10	172.00	137.00
Jan-21	173.40	130.80	174.34	131.10
Feb-21	302.10	171.05	293.85	172.00
Mar-21	475.25	303.30	501.00	308.50

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-20	11,101.84	39.15	13.45	27.71
May-20	10,892.60	34.50	-1.92	-13.48
Jun-20	12,380.75	43.90	12.02	21.41
Jul-20	13,021.76	41.45	4.92	-5.91
Aug-20	14,336.18	47.80	9.17	13.28
Sep-20	14,867.36	84.95	3.57	43.73
Oct-20	14,888.08	104.75	0.14	18.90
Nov-20	16,875.15	144.85	11.78	27.68
Dec-20	18,098.11	141.65	6.76	-2.26
Jan-21	17,988.20	174.35	-0.61	18.75
Feb-21	20,155.35	293.85	10.75	40.67
Mar-21	20,649.33	405.45	2.39	27.52

h) Registrar & Share Transfer Agent:

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

i) Share Transfer System:

Transfers of equity shares in electronic form are affected through the depositories with no involvement of the Company. 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.

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j) Distribution of shareholding as on 31st March 2021:

S. No.	Category	No. of Shareholders	% to holders	No of Shares held	% Shares
1	1 - 5000	6486	87.93	5,61,680	2.88
2	5001 - 10000	356	4.83	2,81,628	1.44
3	10001 - 20000	198	2.68	2,96,415	1.52
4	20001 - 30000	91	1.23	2,34,898	1.20
5	30001 - 40000	33	0.45	1,23,785	0.63
6	40001 - 50000	46	0.62	2,17,894	1.12
7	50001 - 100000	68	0.92	5,09,228	2.61
8	100001 & ABOVE	98	1.33	1,73,03,388	88.60
Total:		7,376	100.00	1,95,28,916	100.00

The Company allotted 6,00,000 Fully Convertible Warrants on 31/03/2021 to the Promoter and Non-Promoter Category of the Company on preferential basis.

1,65,000 equity shares were allotted on 31/03/2021 to the Promoter and Non-Promoter Category on preferential basis pursuant to conversion of 1,65,000 Fully Convertible Warrants. These shares were listed on NSE and BSE on 04/05/2021 and 03/05/2021 respectively. 1,65,000 equity shares were credited to the respective allottees account(s) in the NSDL system on 12/05/2021. Trading approval of NSE and BSE received w.e.f. 20/05/2021.

Note: 4,35,000 fully convertible warrants were outstanding as on 31/03/2021.

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.**CONTROL REPORT AS ON 31/03/2021**

S. No.	Description	No. of Holders	Shares	% To Equity
1	PHYSICAL	1	1	0.00
2	NSDL	3,221	1,14,35,805	58.07
3	CDSL	4,154	80,93,110	41.09
4	Shares not credited to NSDL & CDSL*	4	1,65,000	0.84
Total:		7,377	1,96,93,916	100.00

The Company allotted 6,00,000 Fully Convertible Warrants in demat form on 31/03/2021 to the Promoter and Non-Promoter Category of the Company on preferential basis.

*1,65,000 equity shares were allotted on 31/03/2021 to the Promoter and Non-Promoter Category on preferential basis pursuant to conversion of 1,65,000 Fully Convertible Warrants. These shares were listed on NSE and BSE on 04/05/2021 and 03/05/2021 respectively. 1,65,000 equity shares were credited to the respective allottees account(s) in the NSDL system on 12/05/2021. Trading approval of NSE and BSE received w.e.f. 20/05/2021.

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

During the year under review, the Company on March 31, 2021 issued & allotted 6,00,000 Fully Convertible Warrants at an issue price of ₹ 150/- aggregating to ₹ 9,00,00,000/- (Rupees Nine Crore Only), convertible into equivalent number of Equity Shares of face value ₹ 10/- by way of preferential allotment to the person belonging to the 'Promoter & Promoter group' and 'Non-Promoter' category.

Further, on March 31, 2021, the Company issued and allotted 1,65,000 Equity Shares of face value of ₹ 10/- each pursuant to conversion of 1,65,000 Fully Convertible Warrants at an issue price of ₹ 150/- each, by way of preferential allotment to the persons belonging to "Promoter & Promoter Group" and "Non-Promoter" category.

Therefore, after conversion of 1,65,000 fully convertible warrants in equity shares, 4,35,000 fully convertible warrants were outstanding as on March 31, 2021.

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 6 (Six) Manufacturing Plants:

- | | |
|---|---|
| <ul style="list-style-type: none"> • P-4/2 to 4/6, Site-B, UPSIDC Industrial Area, Surajpur, Greater Noida, District Gautam Budh Nagar, Uttar Pradesh, Pin – 201306 • E-14 & 15, F-20, Site - B, UPSIDC Industrial Area, Surajpur, Greater Noida, District Gautam Budh Nagar, Uttar Pradesh, Pin – 201306 • I- 15, 26 & 27, Site C, UPSIDC Industrial Area, Surajpur, Greater Noida, District Gautam Budh Nagar, Uttar Pradesh, Pin – 201306 | <ul style="list-style-type: none"> • Khasra No. 268 & 275, 15th Milestone, Roorkee - Dehradun National Highway-73, Vill: Raipur, Pargana: Bhagwanpur, Tehsil -Roorkee, Distt. Haridwar, Uttrakhand, Pin – 247667 • Plot No. A-20/2 Supa Parner MIDC Industrial Area, City - Supa, Taluka - Parner, District: Ahmednagar Maharastra, Pin – 414 301 • Plot No. D-111, Supa MIDC, Taluka Parner, Dist. Ahmednagar, 414301 |
|---|---|

o) Address for correspondence:

P-4/2 to 4/6, Site-B, UPSIDC Industrial Area, Surajpur, Greater Noida, Dist. Gautam Budh Nagar, (U.P.), India, Pin – 201306
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:

There have been no instances 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.

(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/codes-policies/VigilMechanismWhistleBlowerPolicy.pdf>

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

- Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause: The Company has complied with mandatory requirements.
- Web link where policy for determining 'material' subsidiaries is disclosed: <http://www.pgel.in/pdf/codes-policies/Policyonmaterialsubsidiary.pdf>
- Web link where policy on dealing with related party transactions is disclosed: <http://www.pgel.in/pdf/codes-policies/RelatedPartyTransactionsPolicy.pdf>
- Commodity price risk/hedging: N.A.
- Details of utilization of funds raised through preferential allotment:

During the year, the company raised an aggregate amount of ₹ 4,10,62,500/- on March 31, 2021 by way of preferential issue of 6,00,000 Fully Convertible Warrants (Warrants) and conversion of 1,65,000 Warrants into Equity shares to Promoter & Public Category. The entire proceeds raised by the Company through Preferential Issue were unutilized at the end of FY 2020-21.
- Total fees for all services paid by the listed to the statutory auditor: Particulars of payments to M/s Chitresh Gupta & Associates, Chartered Accountant, Statutory Auditors of the Company is given below: -

Particulars	Amount in ₹/Lakh.
Audit fee	4.50
Tax audit	1.00
Limited review fee	9.50
Total	15.00

- x. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
- (a) Number of complaints pending at the beginning of the year: NIL
 - (b) Number of complaints filed during the year: NIL
 - (c) Number of complaints disposed off during the year: NIL
 - (d) Number of cases pending at the end of the year: NIL

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.

Date: 14/08/2021
Place: Greater Noida

13. Discretionary requirements of Corporate Governance:

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

14. Compliance of corporate governance requirements:

The Company is in 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.

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.

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

(Mr. Anurag Gupta)

Chairman
DIN: 00184361
B-15, Kalindi Colony,
Delhi-110065

(Mr. Vikas Gupta)

Managing Director- Operations
DIN: 00182241
B-15, Kalindi Colony,
Delhi-110065

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 March 31, 2021 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**

(Mr. Anurag Gupta)

Chairman

DIN:00184361

B-15, Kalindi Colony,

Delhi-110065

Date: 14/08/2021

Place: Greater Noida

Certificate On Corporate Governance

To
The Members,
PG Electroplast Limited

We have examined the compliance of the conditions of Corporate Governance by M/s PG Electroplast Limited ('the Company') for the year ended on March 31, 2021, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with 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 the explanations given to us, and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2021.

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

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 **Puja Mishra & Co.**

Place: Delhi
Date: 14/08/2021

Signature:
Name of the Practicing
Company Secretary: - Puja Mishra
ACS/ FCS No.: A42927
C P No. : 17148

Compliance Certificate

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

We, Vishal Gupta (Managing Director-Finance), Pramod Chimmanlal Gupta (Chief Financial Officer) & Mahabir Prasad Gupta (Sr. GM-Accounts & Finance) certify that:

- A. We have reviewed financial statements and the cash flow statement for the year 2020-21 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-Finance

Date: 02/06/2021

For **PG Electroplast Limited**
Chief Financial Officer
For **PG Electroplast Limited**
Sr. GM – Accounts & Finance

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 thereunder 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

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. Bhawa Nand Choudhary*	12.62	1. The median remuneration of employees of the Company was ₹ 2,18,481.68/- per annum.
Mr. Anurag Gupta	38.82	
Mr. Vishal Gupta	51.06	
Mr. Vikas Gupta	52.57	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. Anurag Gupta	Whole Time Director	No increase
Mr. Vishal Gupta	Whole Time Director	2.20
Mr. Vikas Gupta	Whole Time Director	5.21
Mr. Bhawa Nand Choudhary*	Managing Director	No increase
Mr. Praveen Datt Agarwal#	Chief Financial Officer	0.70
Mr. Mahabir Prasad Gupta**	Chief Financial Officer	No increase
Mr. Sanchay Dubey	Company Secretary	No increase
Mr. Pramod Chimmanlal Gupta##	Chief Financial Officer	NA

*Mr. Bhawa Nand Choudhary (DIN: 05166209) retired and ceased to be the Managing Director of the Company from close of business hours of 31/03/2021 due to retirement.

#Resignation of Mr. Praveen Datt Agarwal from the position of Chief Financial Officer of the Company w.e.f. close of business hours of 31/05/2020. Percentage increase in remuneration has been calculated using monthly average salary method.

**Appointment of Mr. Mahabir Prasad Gupta as the Chief Financial Officer of the Company w.e.f. 23/06/2020. He resigned from the position of Chief Financial Officer w.e.f. 31/01/2021.

##Appointment of Mr. Pramod Chimmanlal Gupta as Chief Financial Officer of the company w.e.f. 01/02/2021.

(iii) The percentage increase in the median remuneration of employees in the financial year: 4.17%

(iv) The number of permanent employees on the rolls of company as on 31st March, 2021: 949

(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) There was no employee in the Company, who was in receipt of remuneration for the year 2020-21 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. 2020-21.

Annexure-IV

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended on 31st March, 2021

[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, 2021, 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, 2021 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 Byelaws 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. Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') including: -
 - 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- e. 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:

- i. Water (Prevention and Control of Pollution) Act, 1961
- ii. Air (Prevention and Control of Pollution) Act, 1974
- iii. The Environment (Protection) Act, 1986
- iv. Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
- v. 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- BSE Limited & National Stock Exchange of India Limited.

We have made report on compliance under SCRA and SEBI Act, rules and regulations made thereunder in SECRETARIAL COMPLIANCE REPORT, annexed as Annexure II of this report.

In respect of applicable laws other than SCRA and SEBI Act, rules and regulations made thereunder, We report that during the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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 has been change in the composition of the Board of Directors during the financial year ended on 31st March, 2021 as follows:

DIN	Name	Designation	Date of 1st Appointment	Date of current Appointment	Date of Cessation, If any	Remarks
00184361	Anurag Gupta	ED, Chairman	17-03-2003	15-07-2019	NA	NA
00184809	Vishal Gupta	ED, Whole Time Director	01-05-2010	15-07-2019	NA	NA
00182241	Vikas Gupta	ED, Whole Time Director	01-05-2010	15-07-2019	NA	NA
06423452	Sharad Jain	NED -Independent Director	09-11-2012	11-08-2019	NA	NA
03076528	Devendra Jha	NED -Independent Director	02-05-2012	11-08-2019	08-02-2021	Resigned from Directorship
07081546	Rita Mohanty	NED -Independent Director	31-01-2015	26-09-2019	NA	NA
05166209	Bhawa Nand Choudhary	ED, MD	23-12-2019	23-12-2019	NA	Change in designation to MD w.e.f 29-09-2020
07066493	Pramod Chimmanlal Gupta	NED -Independent Director	15-05-2019	09-08-2019	25-01-2021	Resigned from Directorship
07339035	Kishore Kumar Kaul	NED -Independent Director	26-01-2021	26-01-2021	NA	Appointment

- Adequate notice was 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, following specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines etc. having a major bearing on the company's affairs.

- The Company has increased its authorised share capital from ₹ 25,00,00,000/- (Rupees Twenty Five Crores only) divided into 2,50,00,000 (Two Crores Fifty Lakh only) equity shares of ₹ 10/- (Rupees Ten only) each to ₹ 35,00,00,000/- (Rupees Thirty Five Crores only) divided into 3,50,00,000 (Three Crores Fifty Lakh only) equity shares of ₹ 10/- (Rupees Ten only) each on 28th February, 2021.
- During the Financial Year 2020-2021, the Company had made allotment of 1,65,000 (One Lakh Sixty Five Thousand) equity shares of Face value of ₹ 10/- (Rupees Ten Only) each pursuant to conversion of 1,65,000 (One Lakh Sixty Five Thousand) fully convertible warrants on preferential basis.

For **Puja Mishra & Co.**

Signature:

Name of the Practicing

Company Secretary: - Puja Mishra

ACS/ FCS No.: A42927

C P No. : 17148

Place: Delhi

Date: 14/08/2021

This report is to be read with our letter of even date which is annexed as Annexure I & II 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. Wherever 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 **Puja Mishra & Co.**

Signature:

Name of the Practicing

Company Secretary: - Puja Mishra

ACS/ FCS No.: A42927

C P No. : 17148

Place: Delhi

Date: 14/08/2021

Annexure II

SECRETARIAL COMPLIANCE REPORT OF PG ELECTROPLAST LIMITED

FOR THE YEAR ENDED MARCH 31, 2021

We, **Puja Mishra & Co., Company Secretaries**, have examined:

- a) all the documents and records made available to us and explanation provided by **M/s PG Electroplast Limited ("the listed entity")**,
- b) the filings/ submissions made by the listed entity to the stock exchanges,
- c) website of the listed entity,
- d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended March 31, 2021 ("**Review Period**") in respect of compliance with the provisions of:
 - 1) the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**") and the Regulations, circulars, guidelines issued thereunder; and
 - 2) the Securities Contracts (Regulation) Act, 1956 ("**SCRA**"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

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

- A. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- B. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- C. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- D. Securities and Exchange Board of India (Buyback of Securities) Regulations 2018 (The Company has not made any buy back of shares or other specified securities during review period);
- E. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- F. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (The Company has not issued any debt security);

- G. Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 (The Company has not issued any Preference Shares);
- H. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- I. Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003;
- J. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

and circulars/ guidelines issued thereunder; and based on the above examination, we hereby report that, during the Review Period:

- a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder.
- b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records.
- c) There were no actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder in so far as it appears from my examination of those records.
- d) The reporting of actions by the listed entity to comply with the observations made in previous reports does not arise during the Review Period.

For **Puja Mishra & Co.**

Signature:

Name of the Practicing

Company Secretary: - Puja Mishra

ACS/ FCS No.: A42927

C P No. : 17148

UDIN: A042927C000527114

Place: Delhi

Date: 28-06-2021

Annexure-V

CERTIFICATE OF NON-DISQUALIFICATION

(For the financial year ended on March 31, 2021)

To,
The Members,
PG Electroplast Limited

We have examined the compliance of provisions of the Regulation 34(3) read with clause 10(i) of the Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by examining the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s PG Electroplast Limited having CIN: L32109DL2003PLC119416 and having registered office at DTJ209, DLF Tower-B, Jasola, New Delhi, India-110025** (hereinafter referred to as 'the Company'), produced before me by the Company.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended on March 31, 2021, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No.	Name	Director Identification Number (DIN)
1	Anurag Gupta	00184361
2	Vishal Gupta	00184809
3	Vikas Gupta	00182241
4	Sharad Jain	06423452
5	Kishore Kumar Kaul	07339035
6	Rita Mohanty	07081546
7	Bhawa Nand Choudhary	05166209

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

For **Puja Mishra & Co.**
Company Secretaries

CS Puja Mishra

M.No. - 42927

C.P No. - 17148

Date: 14/08/2021

Place: Delhi

Annexure-VI

FORM NO. AOC-1

Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures

(Pursuant to first proviso to sub-section (3) of section 129 of the Act and read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries:

Name of the Subsidiary: **PG Technoplast Private Limited**

		(₹ in Lakhs)
1.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
2.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Not Applicable
3.	Share capital	2.00
4.	Reserves & surplus	(0.57)
5.	Total assets	1.54
6.	Total Liabilities	0.10
7.	Investments	Nil
8.	Turnover	Nil
9.	Profit before taxation	(0.57)
10.	Provision for taxation	Nil
11.	Profit after taxation	(0.57)
12.	Proposed Dividend	Nil
13.	% of shareholding	100%

Note: PG Technoplast Private Limited was incorporated on October 8, 2020 and became Wholly Owned Subsidiary of the Company on December 17, 2020.

- Names of subsidiaries which are yet to commence operations: PG Technoplast Private Limited
- Names of subsidiaries which have been liquidated or sold during the year: Nil

Part "B": Associates and Joint Ventures

There were no Associates and Joint Ventures of the Company as on March 31, 2021.

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

(Anurag Gupta)

Chairman
DIN: 00184361

(Vishal Gupta)

Managing Director-Finance
DIN:00184809

Date: 14/08/2021
Place: Greater Noida

(Sanchay Dubey)

Company Secretary

(Prمود Chimmanlal Gupta)

Chief Financial Officer

Annexure-VII

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, 2021 which were not at arm's length basis.

2. Details of material 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)
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 13/08/2020	N.A.	Monthly rent ₹ 1.35 lakh plus applicable taxes & maintenance charges	Rent paid for Registered office at Jasola.	₹ 4.50 Lakh	16.20
	M/s PG Technoplast Private Limited	Board approval on 05/11/2020	N.A.	Monthly rent ₹ 0.03 lakh plus taxes.	Rent received for letting premises at Supa, Ahmednagar	₹ 0.06 Lakh	0.15
Related party appointment to office or place of profit	M/s PG Electronics	Transaction is part of ongoing lease deed 06/11/2009 for 30 years (Rent paid for Roorkee Factory).				--	0.60
	Mrs. Sudesh Gupta	15-05-2019	09-08-2019	Upto ₹ 4.00 lakh per month	They are relatives of Directors & are holding office in the Company as an employee.	--	25.42
	Mrs. Neelu Gupta	15-05-2019	09-08-2019	Upto ₹ 4.00 lakh per month		--	25.50
	Mrs. Sarika Gupta	15-05-2019	09-08-2019	Upto ₹ 4.00 lakh per month		--	25.47
	Mrs. Nitasha Gupta	15-05-2019	09-08-2019	Upto ₹ 4.00 lakh per month		--	25.42
	Mr. Pranav Gupta	13-02-2017	N.A.	Upto 2.50 lakh per month	They are relatives of Directors & are holding office in the company as an employee.	--	19.46
	Mrs. Kanika Gupta	14-11-2019	N.A.	Upto 2.50 lakh per month		--	7.70
	Mr. Aditya Gupta	14-11-2019	N.A.	Upto 2.50 lakh per month		--	4.89
	Mr. Anju Choudhary	23-12-2019	N.A.	Upto 2.50 lakh per month		--	7.99
	Mr. Vatsal Gupta	23-06-2020	N.A.	Upto 2.50 lakh per month		--	5.23
Mrs. Sarita Gupta	23-06-2020	N.A.	Upto 2.50 lakh per month		--	3.80	

Annexure-VIII

Annual Report on Corporate Social Responsibility (CSR) Activities

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy.

The CSR is an approach that contributes to sustainable development by delivering economic, social and environmental benefits for all stakeholders. It extends beyond philanthropic activities and reaches out to the integration of social and business goals. The Company endeavours to take care of Environment, Education, Health and Safety of its employees and neighbourhood.

The Company is built and grown by combination of achievements, business expansion and commitment to the society. It is by adhering to social values and commitment to the society that we are able to prosper and look forward to contribute more in the years to come.

The CSR policy of the company is available on its website at link <http://www.pgel.in/pdf/codes-policies/CSRPOLICY.pdf>

2. The Composition of the CSR Committee.

During the year, the CSR Committee comprised of three directors namely, Mrs. Rita Mohanty as Chairperson of the Committee, Mr. Anurag Gupta and Mr. Vishal Gupta as the members of the Committee.

However, due to resignation of Mrs. Rita Mohanty as Independent Director w.e.f. 15/05/2021, Mr. Ram Dayal Modi (Independent Director) was appointed as the Chairperson of the CSR Committee w.e.f. 26/05/2021.

3. Average Net Profit of the company for last three financial years: N.A

As on 31st March 2017, aggregate amount of unadjusted excess of expenditure over income i.e. loss of previous years was ₹ 3,461.61 lakh. During the FY 2017-18, FY 2018-19, FY 2019-20 the company posted profit before tax of ₹ 748.50 lakh, ₹ 1,015.60 lakh and ₹ 930.95 lakh, respectively. However, net profit of the Company under section 198 was negative for FY 2017-18, FY 2018-19, and FY 2019-20 due to adjustment of excess of expenditure over income i.e. loss of previous years and other adjustments as prescribed under section 198 of the Companies Act, 2013. After such adjustments till 31st March 2020, ₹ 8.35 lakh of excess of expenditure over income i.e. loss of previous years is still left to be adjusted from the profit before tax of future years.

4. Prescribed CSR Expenditure: N.A.

5. Details of CSR spent during the financial year.

- a) Total amount to be spent for the financial year: N.A.
- b) Amount unspent, if any; N.A.
- c) Manner in which the amount spent during the financial year: N.A.

6. A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and CSR policy of the Company.

For PG Electroplast Limited

For PG Electroplast Limited

Place: Greater Noida
Date: 14/08/2021

Vishal Gupta
Manager Director-Finance

Ram Dayal Modi
Chairperson, CSR Committee

Annexure IX

DISCLOSURE PURSUANT TO THE PROVISIONS OF THE SEBI (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014

Statement as at 31st March, 2021

Pursuant to the approval accorded by members on February 28, 2021, the Nomination & Remuneration Committee of the Company formulated "PG Electroplast Employees Stock Option Scheme – 2020" ("Scheme") in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014. The Scheme is applicable to the employees of the Company and its subsidiary company(ies) (present or future).

The eligibility of Employees to receive grants under the Scheme shall to be decided by the Nomination & Remuneration Committee ("NRC") from time to time at its sole discretion.

Vesting of the options shall take place in the manner determined by NRC at the time of grant and such other conditions as provided under the Scheme.

A. Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time.

1. The Company has 'Nil' Share Based Payment arrangements during the year ended 31st March, 2021.
2. The estimated fair value of each stock option granted in the general employee stock benefit scheme: Not Applicable.
3. Expenses arising from employee stock benefit scheme is 'Nil' for the reporting period.

B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by Central Government or any other relevant accounting standards as issued from time to time. Not Applicable for FY2020-21

C. Details related to Employees Stock Option Scheme (ESOS):

- (i) A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including

Date of shareholders' approval	February 28, 2021
Total number of options approved under ESOS	3,90,578
Vesting requirements	Vesting period shall commence after minimum 1 year from the grant date and it may extend upto maximum of 4 years from the grant date, at the discretion of and in the manner prescribed by the NRC.
Exercise price or pricing formula	Under this Scheme, the exercise price of the Shares will be decided by the NRC and will either be: <ul style="list-style-type: none"> • In case the Shares acquired by the Trust is from secondary acquisition then the exercise price will be the average purchase price of the Shares of the Trust. • In case the Shares acquired by the Trust is from direct allotment then the exercise price will be market price of the Shares. <p>The NRC has a power to provide suitable discount on such price as arrived above. However, in any case the exercise price shall not go below the par value of Share of the company.</p>
Maximum term of options granted	Since maximum vesting period is 4 years from the date of grant and maximum exercise period is 1 year from date of vesting, hence the maximum term of options to be granted is 5 years.
Source of shares (primary, secondary or combination)	Combination (Primary & Secondary)
Variation in terms of options	Not Applicable

- (ii) Method used to account for ESOS: The Company shall comply with the requirements of IND-AS and shall use Fair Value method.
- (iii) As the company is adopting fair value method, presently there is no requirement for disclosure in director's report. However, if in future, the Company opts for expensing of share based employee benefits using the intrinsic value, then the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the company shall also be disclosed in the Directors' report.'

Note: The Company has not granted any Options in the FY 2020-21. Accordingly, the other information as mandated under Schedule I - Part F of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are NOT APPLICABLE.

D. Details related to Trust:

- (1) General information on all schemes

S.No.	Particulars	Details
1	Name of the Trust	PG Electroplast Limited Employees Welfare Trust
2	Details of the Trustee(s)	1. Name: Mr. Ashwani Kumar Tyagi Address: G-5, Parsvanath Edens, Sector Alpha-2, Greater Noida, Uttar Pradesh 201310 Occupation: Service Nationality: Indian 2. Name: Mr. Vikas Koul Address: D-604, Ivy Botanica, Ivy Estate, Wagholi, Pune Maharashtra - 412207 Occupation: Service Nationality: Indian
3	Amount of loan disbursed by company / any company in the group, during the year	NIL
4	Amount of loan outstanding (repayable to company / any company in the group) as at the end of the year	NIL
5	Amount of loan, if any, taken from any other source for which company / any company in the group has provided any security or guarantee	NIL
6	Any other contribution made to the Trust during the year	NIL

Note: The Trust has not acquired any shares of the Company in the FY 2020-21. Accordingly, the other information as mandated under Schedule I - Part F of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are NOT APPLICABLE.

Standalone Financial Statements

Independent Auditor's Report

To

THE MEMBERS OF PG ELECTROPLAST LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of PG Electroplast Limited ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of profit and loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the

Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

For each matter below, our description of how our audit addressed the matter is provided in that context.

Key audit matters	How our audit addressed the key audit matter
<p>Revenue Recognition</p> <p>Revenue from the sale of goods (hereinafter referred to as "Revenue") is recognized when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery.</p> <p>The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred.</p> <p>Refer Note 2(b) of the Standalone Financial Statements – Significant Accounting Policies</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> Evaluating the integrity of the general information and technology control environment and testing the operating effectiveness of key IT application controls. Evaluating the design and implementation of Company's controls in respect of revenue recognition. Testing the effectiveness of such controls over revenue cut off at year-end. Testing the supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to the year end, including examination of credit notes issued after the year end to determine whether revenue was recognized in the correct period. Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing. Assessing the appropriateness of the Company's revenue recognition accounting policies in line with IND AS 115 ("Revenue from Contracts with Customers") and testing thereof.

Other information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those Charged with Governance for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Companies Act, 2013. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting

from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013, we give in the "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Companies Act, 2013, 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 Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Companies 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 31st March, 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-B".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 standalone financial statements – Refer Note 39 to the standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - 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 Number: 017079N

CA Chitresh Gupta

Partner

M. No. 098247

Dated: 05th June, 2021

Place: Greater Noida, U.P.

UDIN: 21098247AAAAUN3505

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.

In respect of immovable properties been taken on lease and disclosed as property, plant and equipment in the standalone financial statements, the lease agreements are 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 of 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 2021 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

8. Based on our audit procedures and on the information and explanations given to us, the Company did not have any outstanding debentures during the year. Further, Company has not defaulted in repayment of loans or borrowings to financial institution or to banks or to government 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 standalone 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 issued fully or partly convertible debentures during the year. However, the Company has issued and allotted fully convertible warrants on preferential basis during the year and the company is in compliance with the requirements of Section 42 of the Companies Act, 2013 including rules made therein; and Chapter V of SEBI (ICDR) Regulations, 2018. The Company had issued and allotted 6,00,000 fully convertible warrants convertible into 6,00,000 equity shares of face value of ₹10/- each, at an issue price of ₹150/- each to the selected persons on preferential basis. During the year, out of 6,00,000 fully convertible warrants, 1,65,000 warrants were converted into 1,65,000 equity shares of face value of ₹10/- each (with share premium of ₹140/- each). At the end of March month, the company received ₹ 4,10,62,500/- (100% consideration for 1,65,000 warrants and 25% of upfront money for remaining 4,35,000 warrants). Money received against share warrants is not utilized during the year.
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 Number: 017079N

CA Chitresh Gupta
Partner
M. No. 098247
Dated: 05th June, 2021
Place: Greater Noida, U.P.
UDIN: 21098247AAAAUN3505

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, 2021 in conjunction with our audit of the standalone 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 standalone 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 standalone 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 standalone 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 standalone 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, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Chitresh Gupta & Associates**

Chartered Accountants

Firm Registration Number: 017079N

CA Chitresh Gupta

Partner

M. No. 098247

Dated: 05th June, 2021

Place: Greater Noida, U.P.

UDIN: 21098247AAAAUN3505

Balance Sheet

as at 31st March 2021

₹ in Lacs

PARTICULARS	NOTE NO.	As at 31 st March, 2021	As at 31 st March, 2020
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	27,257.70	25,321.40
Capital Work-in-Progress	3	601.15	548.79
Intangible Assets	4	55.24	56.88
Financial Assets			
i. Trade Receivables	5	-	-
ii. Loans	6 (a)	-	-
iii. Investments	6 (b)	17.45	-
iv. Other Financial Assets	7	311.99	240.54
Deferred Tax Assets (Net)	8	-	-
Other Non-Current Assets	9	1,393.37	778.29
Total Non-Current Assets		29,636.90	26,945.90
Current Assets			
Inventories	10	9,261.07	8,457.97
Financial Assets			
i. Trade Receivables	5	14,725.64	10,118.62
ii. Cash and Cash Equivalents	11 (a)	740.45	1,128.94
iii. Bank Balances Other than Cash and Cash Equivalents	11 (b)	755.70	667.34
iv. Loans	6 (a)	31.32	18.02
v. Investments	6 (b)	-	-
vi. Other Financial Assets	7	475.94	546.38
Other Current Assets	9	2,128.65	1,825.65
Income Tax Assets (Net)	20	182.93	303.89
Total Current Assets		28,301.70	23,066.81
TOTAL ASSETS		57,938.60	50,012.71
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12	1,969.40	1,952.89
Other Equity	13	17,277.71	15,669.64
Total Equity		19,247.11	17,622.53
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
i. Borrowings	14	8,983.82	6,936.29
ii. Other Financial Liabilities	18	71.33	124.64
Deferred Tax Liabilities (Net)	8	493.04	142.58
Provisions	15	560.07	574.63
Total Non-Current Liabilities		10,108.26	7,778.14
Current Liabilities			
Financial Liabilities			
i. Borrowings	16	6,562.69	10,391.32
ii. Trade Payables	17		
- Total outstanding dues of micro and small enterprises		1,104.25	761.46
- Total outstanding dues of creditors other than micro and small enterprises		14,230.48	9,869.98
iii. Other Financial Liabilities	18	4,931.83	2,894.53
Other Current Liabilities	19	1,712.95	634.15
Provisions	15	41.03	60.60
Income Tax Liabilities (Net)	20	-	-
Total Current Liabilities		28,583.23	24,612.04
Total Liabilities		38,691.49	32,390.18
TOTAL EQUITIES AND LIABILITIES		57,938.60	50,012.71

The accompanying notes 1 to 43 form an integral part of standalone 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
UDIN:21098247AAAAUN3505

Place: Greater Noida, U.P.
Dated: 05th June, 2021

For and on behalf of Board of Directors

PG Electroplast Ltd

(Anurag Gupta)
Chairman & Executive Director
DIN-00184361

(Sanchay Dubey)
Company Secretary
ACS No:A51305

(Vishal Gupta)
Managing Director - Finance
DIN-00184809

(Promod C Gupta)
Chief Financial Officer

Statement of Profit and Loss

for the year ended on 31st March 2021

₹ in Lacs

PARTICULARS	NOTE	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Revenue from Operations	21	70,320.65	63,941.71
Other Income	22	262.13	246.85
Total Income		70,582.78	64,188.56
Expenses:			
Cost of Materials Consumed	23	51,831.18	47,606.05
Cost of Traded Goods	23.1	3,501.38	3,469.23
Changes in inventories of finished goods and work-in-progress	24	318.90	(702.94)
Employee benefits expenses	25	5,499.51	5,394.54
Finance costs	26	1,843.58	1,475.45
Depreciation and amortisation expenses	27	1,801.23	1,631.03
Other expenses	28	4,193.24	4,183.32
Total Expenses		68,989.02	63,056.68
Profit before exceptional items & tax		1,593.76	1,131.88
Exceptional Items	28	81.55	200.93
Profit before tax		1,512.21	930.95
Tax expenses:			
Current tax	29	-	-
Deferred tax	29	350.46	669.47
Total tax expenses		350.46	669.47
Profit for the year		1,161.75	261.48
Other comprehensive income:			
A (i) Items that will not be reclassified to profit or loss:			
Remeasurements of the defined benefit plans		52.20	(41.09)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
(iii) Deferred tax on above A(ii)		-	-
B (i) Items that may be reclassified to profit or loss		-	-
(ii) Income tax relating to items that may be reclassified to profit or loss		-	-
Other comprehensive income/(Loss) for the year		52.20	(41.09)
Total comprehensive income for the year		1,213.95	220.39
Earnings per equity share of Rupee 10.00 each (with OCI)	30		
Basic earnings per share		6.22	1.17
Diluted earnings per share		6.22	1.17
Earnings per equity share of Rupee 10.00 each (without OCI)	30		
Basic earnings per share		5.95	1.39
Diluted earnings per share		5.95	1.39

The accompanying notes 1 to 43 form an integral part of standalone 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
UDIN:21098247AAAAUN3505Place: Greater Noida, U.P.
Dated: 05th June, 2021

For and on behalf of Board of Directors

PG Electroplast Ltd**(Anurag Gupta)**
Chairman & Executive Director
DIN-00184361**(Sanchay Dubey)**
Company Secretary
ACS No:A51305**(Vishal Gupta)**
Managing Director - Finance
DIN-00184809**(Promod C Gupta)**
Chief Financial Officer

Cash Flow Statement

for the year ended on 31st March 2021

₹ in Lacs

PARTICULARS	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	1,512.21	930.93
Adjustments to reconcile profit before tax to net cash flows		
Depreciation/amortization (Includes depreciation of Right to Use)	1,801.23	1,631.03
Employees expenses non operating	52.20	(41.09)
Loss on sale of fixed assets & Assets written off	18.69	-
Profit on sale of fixed assets	(44.37)	(5.23)
Misc balances written off	62.94	53.74
Provision for doubtful debts	38.68	200.28
Provision for doubtful advance to suppliers & capital advance	30.00	56.78
Provision for slow & non moving Inventories	67.75	-
Loss on fixed assets due to Fire	-	71.37
Loss on Inventory due to Fire	146.94	26.46
Liabilities written back	(9.09)	(29.65)
Interest expense on leased liabilities	18.13	15.92
Interest expense	1,825.45	1,459.53
Interest income	(117.39)	(81.56)
Operating profit before working capital changes	5,403.36	4,288.51
Movements in working capital :		
Increase/(decrease) in trade Payables	4,703.29	1,481.39
Increase/(decrease) in Long - term provisions,financial liabilities	(161.14)	342.12
Increase/(decrease) in Short - term provisions	(19.57)	(31.56)
Increase/(decrease) in Other Current Liabilities	1,078.79	736.52
Increase/(decrease) in Current Liabilities & Provision	385.21	80.05
Decrease/(increase) in trade receivables	(4,651.76)	(1,661.73)
Decrease/(increase) in inventories	(803.10)	(1,632.64)
Decrease / (increase) in Long - term loans and advances	(71.45)	129.41
Decrease / (increase) in Short - term loans and advances	(0.87)	(34.42)
Increase/(decrease) in Other Current Assets	(272.13)	(707.30)
Decrease/(increase) in loans and advances	(13.29)	0.35
Cash generated from/(used in) operations	5,577.35	2,990.70
Direct taxes (paid)/refund	120.96	(223.30)
Net cash flow from/(used in) operating activities (A)	5,698.31	2,767.40
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property Plant and equipment including CWIP & Intangible assets	(4,388.78)	(5,801.99)
Proceeds from sale of Property plant and equipment	91.07	9.08
Investments made during the year	(17.45)	-
Bank Deposit having maturity more than 3 months	(141.41)	(582.85)
Interest received	113.00	75.17
Net cash flow from/(used in) investing activities (B)	(4,343.58)	(6,300.59)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long-term borrowings	5,687.58	4,253.87
Repayment of long-term borrowings	(2,076.48)	(2,001.99)
Proceeds from Equity Share Capital	410.63	-
Short-term borrowings (Net)	(3,828.63)	3,578.41
Payment of principal portion of lease liabilities	(92.73)	(64.13)
Payment of interest portion of lease liabilities	(18.13)	(15.92)
Interest paid	(1,825.45)	(1,459.53)
Net cash flow from/(used in) in financing activities (C)	(1,743.21)	4,290.71

Cash Flow Statement

for the year ended on 31st March 2021

₹ in Lacs

PARTICULARS	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(388.49)	757.52
Cash and cash equivalents at the beginning of the period	1,128.94	371.42
Cash and cash equivalents at the end of the period	740.45	1,128.94
Components of cash and cash equivalents		
Cash on hand	4.81	18.08
With banks:		
- on current account	735.64	1,110.86
Total cash and cash equivalents	740.45	1,128.94

The accompanying notes 1 to 43 form an integral part of standalone 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
UDIN:21098247AAAAUN3505

Place: Greater Noida, U.P.

Dated: 05th June, 2021

For and on behalf of Board of Directors

PG Electroplast Ltd

(Anurag Gupta)

Chairman & Executive Director
DIN-00184361

(Sanchay Dubey)

Company Secretary
ACS No:A51305

(Vishal Gupta)

Managing Director - Finance
DIN-00184809

(Promod C Gupta)

Chief Financial Officer

Statement of Changes in Equity

for the year ended on 31st March 2021

A EQUITY SHARE CAPITAL

	₹ in Lacs
Equity shares of ₹ 10 each issued, subscribed and fully paid up	
As at March 31, 2019	1,865.43
changes during the year	87.46
As at March 31, 2020	1,952.89
changes during the year	16.51
As at March 31, 2021	1,969.40

Kindly refer Note No. 12.

B OTHER EQUITY

Particulars	Reserves and surplus			Other Comprehensive Income	Money Received against Share Warrants	Total other equity
	Capital reserve	Securities premium	Retained earnings			
Balance as at March 31, 2019	-	13,486.32	1,504.17	46.24	-	15,036.73
Profit for the year	-	-	261.47	-	-	261.47
Other comprehensive income, net of income tax	-	-	-	(41.09)	-	(41.09)
Movement during the year	-	412.54	-	-	-	412.54
Balance as at March 31, 2020	-	13,898.86	1,765.64	5.15	-	15,669.65
Profit for the year	-	-	1,161.75	-	-	1,161.75
Other comprehensive income, net of income tax	-	-	-	52.20	-	52.20
Movement during the year	-	231.00	-	-	163.12	394.12
Balance as at March 31, 2021	-	14,129.86	2,927.39	57.35	163.12	17,277.72

Kindly refer Note No. 13.

The accompanying notes 1 to 43 form an integral part of standalone 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
UDIN:21098247AAAAUN3505

Place: Greater Noida, U.P.
Dated: 05th June, 2021

For and on behalf of Board of Directors

PG Electroplast Ltd

(Anurag Gupta)
Chairman & Executive Director
DIN-00184361

(Sanchay Dubey)
Company Secretary
ACS No:A51305

(Vishal Gupta)
Managing Director - Finance
DIN-00184809

(Promod C Gupta)
Chief Financial Officer

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

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 standalone 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 standalone 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 as amended by time to time] and other relevant provisions of the Act.

(ii) Historical cost convention

The standalone 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 standalone financial statements is determined on such a

basis, except for leasing transactions that are within the scope of Ind AS 116 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

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties, in writing, to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration the Company has received or expects to receive in exchange for these products or services ("transaction price"). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

(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

(i) As a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. At the date of commencement of the year,

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(ii) As a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the

right-of-use asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

(ii) Transition

The company has adopted IND AS - 116 "Leases", effective 1st April 2019 using the "Modified Retrospective Approach". Upon transition, cumulative adjustment for present value of the remaining lease payments of lease contracts existing as on the date of initial application has been recognised as a lease liability with an equivalent asset for the right to use.

(e) Foreign currency translation

(i) Functional and presentation currency

The standalone 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.

(iii) 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.

If, at a reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit & loss.

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

(g) Borrowing Costs

Borrowing 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.

Borrowing costs consists of interest & other costs that an entity incurs in connection with borrowing of funds.

(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 standalone 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) Earnings Per Share (EPS)

Basic earnings per share is computed using the net profit / (-) loss for the year (without taking impact of OCI) attributable to the equity share older and weighted average number of shares outstanding during the year. The weighted average number of shares includes number of equity shares that are issued on conversion of warrant, convertible debentures, etc. from the date of conversion. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effect of potential diluted equity shares unless impact is anti-diluted.

(j) 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

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

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.

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.

Depreciation is not recorded on capital work in progress until construction and installation are complete and the assets is ready for its intended use.

(k) 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.

(l) Inventories

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

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

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.

- (iii) The provision for inventory obsolescence is assessed regularly based on estimated usage and shelf life of inventory.

(m) Provisions, Contingent Liabilities, Commitments and Contingent assets

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.

Where it is not probable that an outflow of resources embodying economic benefits will be required or the amount can not be estimated reliably, the obligation is disclosed as a contingent liability and commitments, unless the probability of outflow of resources embodying economic resources is remote.

Contingent assets are not recognized but disclosed in the standalone financial statements when an inflow of economic benefits is probable.

(n) 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 and employee state insurance.

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

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

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.

- Leave Encashment

The Company has recognised liability for short term compensated absences on full cost basis with reference to unavailed earned leaves at the year end. To the extent, the compensated absences qualify as a long term benefit, the Company has provided for the long term liability at year end as per the actuarial valuation using the Projected Unit Credit Method. Actuarial gains and losses arising from adjustments and changes in actuarial assumptions are charged or credited to the Statement of profit and loss in the year in which such gains or losses arise.

(o) 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.

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

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 current 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 derecognition as 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.

- **Investment in subsidiaries, joint venture and associates**

Investment in equity shares of subsidiaries, joint venture and associates is carried at cost in the financial statements.

(p) 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.

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

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

Particulars	Property, Plant and Equipments							Capital Work in Progress
	Leasehold Land	Buildings, Lease hold Improvement	Plant and Equipments	Electric installation	Furniture and Fixtures	Vehicles	Office equipment	
Year ended 31st March 2020								
Gross carrying amount								
Opening gross carrying amount	591.98	5,149.37	15,504.12	545.79	290.32	466.69	143.05	22,691.32
Additions	-	4,108.17	3,515.62	92.93	149.87	169.81	22.04	8,058.44
Disposals	-	(179.80)	(115.08)	(23.65)	(22.61)	(15.67)	(5.92)	(362.73)
Closing gross carrying amount	591.98	9,077.74	18,904.66	615.07	47.58	620.83	159.17	30,387.03
Accumulated depreciation								
Opening accumulated depreciation	22.10	561.21	2,415.56	178.33	59.98	171.07	77.18	3,485.43
Depreciation charge during the year	8.31	347.85	1,044.59	69.54	37.95	74.01	27.49	1,609.73
Disposals	-	(0.79)	(5.11)	(1.81)	(2.65)	(14.89)	(4.28)	(29.53)
Closing accumulated depreciation	30.40	908.27	3,455.04	246.06	95.28	230.19	100.39	5,065.63
Net carrying amount	561.58	8,169.47	15,449.63	369.01	322.30	390.64	58.78	25,321.40
Year ended 31st March 2021								
Gross carrying amount								
Opening gross carrying amount	591.98	9,077.74	18,904.66	615.07	47.58	620.83	159.17	30,387.03
Additions	-	1,224.77	2,202.02	159.82	99.71	57.89	102.47	3,846.68
Disposals	-	(93.00)	(176.43)	(43.55)	(4.84)	(4.05)	(44.74)	(366.61)
Closing gross carrying amount	591.98	10,209.51	20,930.25	731.34	512.45	674.67	216.90	33,867.10
Accumulated depreciation								
Opening accumulated depreciation	30.40	908.27	3,455.04	246.06	95.28	230.19	100.39	5,065.63
Depreciation charge during the year	8.28	419.59	1,120.21	70.94	44.85	86.36	30.09	1,780.32
Disposals	-	(56.00)	(88.53)	(41.13)	(4.60)	(3.84)	(42.45)	(236.55)
Closing accumulated depreciation	38.69	1,271.86	4,486.72	275.87	135.53	312.71	88.03	6,609.40
Net carrying amount	553.29	8,937.65	16,443.53	455.47	376.92	361.96	128.87	27,257.70

Notes:

i. Leasehold Land

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

Plot no	Period of Lease	Balance Period of Lease as on March 31, 2021
P-4/2 to 4/6 at Unit-I	90 years	73 years
E-14, E-15 at Unit-III	83 years	73 years
F-20 at Unit-III	59 years	56 years
I-26, I-27 at Unit-V	64 years	60 years
A-20/2 at Supa, Unit IV	85 Years	81 years
C-11 at Unit-IV	76 years	73 years

These leases of lands have been classified as finance lease in terms of criteria specified in Ind AS 116 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.

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

ii. Restrictions on Property, plant and equipment

Refer note no. 14 & 16 for information on charges created on property, plant and equipment.

iii. Contractual commitments

Refer note no. 38 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

iv. A fire broke out on 15th June 2019 in Washing Machine Division of the Company situated at P-4/6, UPSIDC Industrial Area, Surajpur, Greater Noida, Uttar Pradesh resulting in loss/damages of property, plant & equipments (Gross Block - ₹ 343.62 lacs, Written Down Value - ₹ 329.22 lacs). Losses of ₹ 71.38 lacs on property, plant & equipments have been recognized net of insurance claim settled during the year 2019-2020.

v. Following is carrying value of right-to-use assets (included in buildings) recognised and the movements thereof during the year:

Particulars	FY 2020-21	FY 2019-20
Right-to-use assets at the beginning	211.94	48.80
Addition/Deletion during the year (Net)	30.16	237.07
Depreciation on Right-to-use assets during the year	107.49	73.93
Balance at the closing	134.61	211.94

4. INTANGIBLE ASSETS

Particulars	Computer Softwares	Product Development	Total
Year ended 31st March 2020			
Gross carrying amount			
Opening gross carrying amount	56.91	55.19	112.10
Additions	18.16	-	18.16
Disposals	-	-	-
Closing gross carrying amount	75.07	55.19	130.26
Accumulated amortisation			
Opening accumulated amortisation	21.98	30.10	52.08
Amortisation charge for the year	11.23	10.06	21.29
Closing accumulated amortisation	33.21	40.17	73.37
Closing net carrying amount	41.86	15.02	56.89

Particulars	Computer Softwares	Product Development	Total
Year ended 31st March 2021			
Gross carrying amount			
Opening gross carrying amount	75.07	55.19	130.26
Additions	24.26	-	24.26
Closing gross carrying amount	99.33	55.19	154.52
Accumulated amortisation			
Opening accumulated amortisation	33.21	40.17	73.37
Amortisation charge for the year	10.89	10.03	20.91
Impairment loss recognised during the year	-	4.99	4.99
Closing accumulated amortisation	44.09	55.19	99.27
Closing net carrying amount	55.24	-	55.24

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

5. TRADE RECEIVABLES

₹ in Lacs

PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
Current		
Trade receivables (at amortised cost)		
Unsecured, considered good	14,725.64	10,118.62
Doubtful	211.79	231.64
Less: Allowance for bad and doubtful debts	(211.79)	(231.64)
Total trade receivables	14,725.64	10,118.62

Reconciliation of allowance on trade receivables:

₹ in Lacs

PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
Balance at beginning of the year	231.64	205.83
Additional provisions recognised	38.68	39.60
Written off as bad debts during the year	(58.53)	(13.79)
Balance at the end of the year	211.79	231.64

6(a) LOANS

₹ in Lacs

PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
Current		
Loan to employees (at amortised cost)		
-Unsecured, Considered Good	31.32	18.02
	31.32	18.02

6(b) INVESTMENTS

₹ in Lacs

PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
Non-Current		
Quoted		
At fair value through profit & loss		
Investment in mutual funds*	15.45	-
Unquoted		
At amortised cost		
Investment In Equity Shares Of Subsidiary**	2.00	-
	17.45	-

*Investments in mutual funds, which are classified as FVTPL are measured using net assets value at the reporting date multiplied by the quantity held.

**The Company has acquired 100% equity shares of PG Technoplast Private Limited as on 17.12.2020.

**The Company has measured its investment in its subsidiary (PG Technoplast Private Limited) at Cost.

₹ in Lacs

PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
Current		
Investment in mutual funds	-	-
Investment In Equity Shares Of Subsidiary	-	-
At amortised cost	-	-

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

7. OTHER FINANCIAL ASSETS

₹ in Lacs

PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
Non-Current		
At amortised cost		
Unsecured, considered good		
Security deposits	261.51	214.88
Fixed Deposits With Bank (remaining maturity more than 12 months from reporting date)	-	5.35
Earmarked balances with banks (remaining maturity more than 12 months from reporting date)	50.48	20.31
Total other financial assets at amortised cost"	311.99	240.54

₹ in Lacs

PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
Current		
At amortised cost		
Unsecured, considered good		
Security deposits	21.46	13.60
Fixed Deposits With Bank (remaining maturity within 12 months from reporting date)	243.42	190.37
Interest accrued on bank deposits	23.69	23.07
Interest accrued on Investment (ICD)	-	-
Interest accrued - Others	6.60	2.82
Others	180.77	316.52
Total other financial assets at amortised cost	475.94	546.38

Reconciliation of allowance for bad & doubtful debt (ICD)

₹ in Lacs

PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
Balance at beginning of the year	-	307.00
Additional provisions recognised	-	160.68
Written off as bad debts during the year	-	(467.68)
Balance at the end of the year	-	-

8. DEFERRED TAX BALANCES

₹ in Lacs

PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
Net Deferred Tax Assets/(Liabilities)	(493.04)	(142.58)
Total	(493.04)	(142.58)

(i) Movement in deferred tax balances

Particulars	For the year ended 31 st March 2021			
	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	195.55	(10.20)	-	185.35
- Carry forward losses and unabsorbed depreciation	1,576.86	(154.19)	-	1,422.67
- MAT Credit Carried Forward	-	-	-	-
- Impairment provisions of financial/other assets made in books, but tax deductible only on actual write-off	125.36	(25.66)	-	99.70
- Difference in carrying values of property, plant & equipment and intangible assets	(2,040.35)	(160.41)	-	(2,200.76)
Net deferred tax assets/(liabilities)	(142.58)	(350.46)	-	(493.04)

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

(ii) Movement in deferred tax balances

Particulars	For the year ended 31st March 2020			
	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	35.84	159.72	-	195.55
- Carry forward losses and unabsorbed depreciation	2,309.07	(732.21)	-	1,576.86
- MAT Credit Carried Forward	468.24	(468.24)	-	-
- Impairment provisions of financial/other assets made in books, but tax deductible only on actual write-off	252.47	(127.11)	-	125.36
- Difference in carrying values of property, plant & equipment and intangible assets	(2,538.73)	498.38	-	(2,040.35)
Net deferred tax assets/(liabilities)	526.89	(669.47)	-	(142.58)

9. OTHER ASSETS

₹ in Lacs

PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
Non-Current		
Unsecured, considered good		
Capital advances	1,326.45	698.47
Prepaid expenses	66.92	79.81
Unsecured, considered doubtful		
Capital Advances	-	13.77
Less: Provision for doubtful Capital Advances	-	(13.77)
Total	1,393.37	778.29

Reconciliation of Provision for doubtful Capital Advances

₹ in Lacs

PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
Balance at beginning of the year	13.77	13.52
Additional provisions recognised	-	0.24
Written off as bad debts during the year	(13.77)	-
Balance at the end of the year	-	13.77
Current		
Unsecured, considered good		
Advances to suppliers	1,023.29	979.15
Advances for expenses	39.19	51.89
Balances with Government Authorities	898.86	615.93
Prepaid expenses	166.03	176.96
Imprest to employees	1.28	1.73
Unsecured, considered doubtful		
Advance to suppliers	184.32	252.68
Less: Provision for doubtful advance to suppliers	(184.32)	(252.68)
TOTAL OTHER ASSETS	3,522.02	2,603.94

Reconciliation of Provision for doubtful advance to suppliers

₹ in Lacs

PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
Balance at beginning of the year	252.68	196.15
Additional provisions recognised	30.00	56.53
Written off as bad debts during the year	(98.36)	-
Balance at the end of the year	184.32	252.68

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

10. INVENTORIES

PARTICULARS	₹ in Lacs	
	As at 31 st March, 2021	As at 31 st March, 2020
Raw materials & components [includes stock in transit of ₹ 329.44 lacs as on 31.03.2021 & ₹ 109.60 lacs as on 31-Mar-2020]	6,704.16	5,516.20
Work-in-progress	1,542.57	1,976.06
Finished goods	1,040.21	925.62
Stores and spares	41.88	40.09
Less:- Provision for Slow/Non Moving Inventories	(67.75)	-
Total inventories	9,261.07	8,457.97

Reconciliation of Provision for Slow/Non Moving Inventories

PARTICULARS	₹ in Lacs	
	As at 31 st March, 2021	As at 31 st March, 2020
Balance at beginning of the year	-	-
Additional provisions recognised	67.75	-
Written off during the year	-	-
Balance at the end of the year	67.75	-

- (i) The mode of valuation of inventories has been stated in note no. 2(l).
- (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 on entire stock including raw material, work in progress, finished goods, stock in transit and other stores & spare parts of unit-1, 2 & 3 by State Bank of India and Unit 4 & 5 by HDFC Bank respectively.

11. CASH AND BANK BALANCES

(a) Cash and cash equivalents

PARTICULARS	₹ in Lacs	
	As at 31 st March, 2021	As at 31 st March, 2020
At amortised cost		
Balances with banks		
-In current accounts	735.64	1,110.86
Cash on hand	4.81	18.08
Total cash and cash equivalents	740.45	1,128.94

(b) Bank balances other than cash and cash equivalents

PARTICULARS	₹ in Lacs	
	As at 31 st March, 2021	As at 31 st March, 2020
At amortised cost		
Earmarked balances with banks (remaining maturity within 12 months from reporting date)	755.70	667.34
Total bank balances other than cash and cash equivalents	755.70	667.34

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

12. SHARE CAPITAL

₹ in Lacs

PARTICULARS	As at	
	31 st March, 2021	31 st March, 2020
Authorised		
3,50,00,000 (March 31, 2020: 2,50,00,000) equity shares [Par value of ₹ 10 per share]	3,500.00	2,500.00
	3,500.00	2,500.00
Issued, Subscribed And Fully Paid Up:		
1,96,93,916 (March 31, 2020: 1,95,28,916) equity shares [Par value of ₹ 10 per share]	1,969.40	1,952.89
Total inventories	1,969.40	1,952.89

(i) Movements in equity share capital

PARTICULARS	Number of shares	Amount in ₹
As at 31 March 2019	18,654,332	1,865.43
Movement during the year *	874,584	87.46
As at 31st March 2020	19,528,916	1,952.89
Movement during the year **	165,000	16.51
As at 31st March 2021	19,693,916	1,969.40

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.

* During the year 2019-20, the company had allotted 8,74,584 equity shares on preferential basis pursuant to conversion of loan to Mr. Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta and Mrs Sudesh Gupta (Nominee of late Mr. Promod Gupta).

** During the year 2020-21, the company had allotted 1,65,000 equity shares of Face value of ₹ 10 on conversion of warrants allotted to promoters & non-promoters on private placement basis to Mr. Anurag Gupta, Mr. Vishal Gupta, Mr. Vikas Gupta and Mr. Arvind Yeshwant Pradhan.

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

₹ in Lacs

PARTICULARS	As at 31 st March, 2021		As at 31 st March, 2020	
	Number of shares	% Holding	Number of shares	% Holding
Mr. Anurag Gupta	2,461,201	12.50%	2,426,201	12.42%
Mr. Vishal Gupta	2,851,991	14.48%	2,816,991	14.42%
Mr. Vikas Gupta	2,847,701	14.46%	2,812,701	14.40%
Mrs Sudesh Gupta*	4,760,313	24.17%	4,760,313	24.38%

* 4516167 Equity shares held in the name of Late Mr. Promod Gupta has been transmitted in the name his nominee- Mrs. Sudesh Gupta (Spouse of Late Mr. Promod Gupta) during the year ended as on 31st March 2020.

13. OTHER EQUITY

₹ in Lacs

PARTICULARS	As at	
	31 st March, 2021	31 st March, 2020
Securities premium	14,129.86	13,898.86
Retained earnings	2,927.38	1,765.64
Other comprehensive income	57.35	5.15
Money received against share Warrants*	163.12	-
	17,277.71	15,669.65

*During the year 2020-21, Company has allotted 6,00,000 convertible warrant at the issue price of ₹ 150/- each to promoters & non-promoters on private placement basis to Mr. Anurag Gupta, Mr. Vishal Gupta, Mr. Vikas Gupta and Mr. Arvind Yeshwant Pradhan. Out of which 1,65,000 warrant have been converted into equity shares of face value of ₹ 10/- each (share premium ₹ 140/- each) as on 31.03.2021. Remaining 4,35,000 warrants are pending for conversion with application money of ₹ 163.13 lacs (4,35,000*150*25%).

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

(i) Securities premium

₹ in Lacs		
PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
Opening balance	13,898.86	13,486.32
Movement during the year*	231.00	412.54
Closing balance	14,129.86	13,898.86

Securities premium is used to record the premium on issue of shares. The securities premium is utilised in accordance with the provisions of the Company Act 2013.

* During the year 2019-20, Company had allotted 8,74,584 equity shares on preferential basis @ ₹ 57.17/- per equity shares including share premium of ₹ 47.17/- per equity share to Mr. Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta and Mrs Sudesh Gupta (Nominee of late Mr. Promod Gupta) pursuant to conversion of outstanding loan of ₹ 500 lacs given by them to Company.

* During the year 2020-21, Company had allotted 1,65,000 equity shares on private placement basis @ ₹ 150/- per equity shares including share premium of ₹ 140/- per equity share to Mr. Anurag Gupta, Mr. Vishal Gupta, Mr. Vikas Gupta and Mr. Arvind Yeshwant Pradhan pursuant to conversion of warrants issued on private placement basis to the promoters & non-promoters.

(ii) Retained earnings

₹ in Lacs		
PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
Opening balance	1,765.64	1,504.18
Net profit for the year	1,161.75	261.46
Closing balance	2,927.38	1,765.64

(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.

(iii) Other comprehensive income

₹ in Lacs		
PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
Opening balance	5.15	46.23
Other comprehensive income for the year (Net)	52.20	(41.09)
Closing Balance	57.35	5.15

(iv) Money received against share warrants

₹ in Lacs		
PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
Opening balance	-	-
Movement during the year*	163.12	-
Closing balance	163.12	-

Reconciliation of Movement in Money received against share warrants

₹ in Lacs		
PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
Balance at beginning of the year	-	-
Received during the year against warrants	410.63	-
Converted into Equity Shares during the year	247.51	-
Balance at the end of the year	163.12	-

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

*During the year 2020-21, Company has allotted 6,00,000 convertible warrant at the issue price of ₹ 150/- each to promoters & non-promoters on private placement basis to Mr. Anurag Gupta, Mr. Vishal Gupta, Mr. Vikas Gupta and Mr. Arvind Yeshwant Pradhan. Out of which 1,65,000 warrant have been converted into equity shares of face value of ₹ 10/- each (share premium ₹ 140/- each) as on 31.03.2021. Remaining 4,35,000 warrants are pending for conversion with application money of ₹ 163.13 lacs (4,35,000*150*25%).

14. NON-CURRENT BORROWINGS

₹ in Lacs

PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
Secured - at amortised cost		
Term loans		
- From banks		
- Term Loan from SBI*	279.00	399.00
- Term Loan from SBI**	1,369.99	1,489.99
- Term Loan from SBI***	1,424.81	912.09
- Term Loan from SBI (GECL-2)****	884.00	-
- Term Loan from HDFC Bank	3,399.66	3,737.59
- Term Loan from HDFC Bank- Moratorium Loan Covid -19 of existing loans	72.82	-
- Term Loan from HDFC Bank (TI-5, Covid -19)	750.00	-
- Term Loan from HDFC Bank (ECGLC-02)	2,000.00	-
- Vehicle Loan from various Banks	139.70	152.72
- From Others		
- Term Loan from Aditya Birla Finance Ltd.	-	80.12
- Term Loan from Tata Capital Financial Services Limited	330.23	368.70
- Interest Free Loan from Uttar Pradesh Financial Corporation Ltd	408.14	189.13
- Deferred Interest Free Loan from Uttar Pradesh Financial Corporation Ltd	275.00	157.49
- Vehicle loan from Sundaram Finance Limited	11.35	25.41
Unsecured- at amortised cost		
Unsecured loans from directors	-	141.90
Deferred Payment against P&M	697.73	777.18
	12,042.43	8,431.33
Less: Amount disclosed under the head "Other financial liabilities current" (refer note 18)	3,058.61	1,495.04
Total non-current borrowings	8,983.82	6,936.29

Amount disclosed under the head "Other financial liabilities current"

₹ in Lacs

PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
- From banks		
- Term Loan from SBI*	240.00	120.00
- Term Loan from SBI**	300.00	120.00
- Term Loan from SBI***	216.00	76.62
- Term Loan from SBI (GECL-2)****	55.25	-
- Term Loan from HDFC Bank	809.19	399.31
- Term Loan from HDFC Bank (Moratorium Loan Covid -19 of existing loans)	-	-
- Term Loan from HDFC Bank (TI-5, Covid -19)	750.00	-
- Term Loan from HDFC Bank (ECGLC-02)	83.33	-
- Vehicle Loan from various Banks	67.63	59.94
- From Others		
- Term Loan from Aditya Birla Finance Ltd.	-	23.76
- Term Loan from Tata Capital Financial Services Limited	71.64	38.47
- Vehicle loan from Sundaram Finance Limited	11.35	14.06
Unsecured- at amortised cost		
Unsecured loans from directors	-	20.00
Deferred Payment against P&M	454.22	622.87
	3,058.61	1,495.04

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

14.1 Term Loan from State Bank of India

- a.(i) *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 & Personal guarantee of promoter directors i.e 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, 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.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 & building situated at Khasra no 268 & 275,Raipur, Bhagwanpur, Roorkee, P-4/2 to 4/6 and E-14 & E-15, Site-B, UPSIDC Industrial Area, Surajpur, Greater Noida of the Company & Personal guarantee of promoter directors i.e Mr. Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta; a.(iv) **** GECL-2 term loan taken from SBI is collateral free Guaranteed Emergency Credit Line (GECL), which is fully guaranteed by NCGTC
- b. Collateral Security:- Factory Land and Building situated at Plot no- P-4/2 - 4/5, Plot No E-14 & E-15, Site-B, UPSIDC Industrial Area, Surajpur, Greater Noida of Company and Building situated at Khasra No 268 & 275, Village Raipur, Roorkee, Haridwar, Uttarakhand, and factory land which is in the name of M/s PG Electronics and Mr. Vishal Gupta;
- c. Corporate Guarantee of PG Electronics (Partnership Firm)
- d. *Outstanding Term loan as on 31 March 2021 is ₹ 279.00 lacs (as on 31 March 2020 is ₹ 399.00 lacs) as on reporting date is repayable on monthly instalments of ₹ 20.00 lacs from April 2021 till April 2022 & balance amount of ₹ 19.00 lacs in the month of May 2022.
- e. **Outstanding Term loan as on 31 March 2021 is ₹ 1369.99 lacs (as on 31 March 2020 is ₹ 1489.99 lacs) as on reporting date is repayable on monthly instalments of ₹ 20.00 lacs from April 2021 to Sept 2021,monthly instalment of ₹ 30.00 lacs from Oct 2021 to Sept 2022, monthly instalment of ₹ 35.00 lacs from Oct 2022 to Sept 2023,monthly instalment of ₹ 40.00 lacs from Oct 2023 till Aug 2024 and balance amount of ₹ 29.99 lacs in Sept 2024.
- f. ***Outstanding Term loan as on 31st March 2021 is ₹ 1424.81 lacs (as on 31st March 2020 is ₹ 912.09 lacs) as on reporting date is repayable on monthly instalments of ₹ 18.00 lacs from April 2021 to Oct 2027,balance amount of ₹ 2.81 lacs in Nov 2027. g.**** Outstanding amount of GECL-02 term loan as on 31.03.2021 of ₹ 884.00 lacs (as on 31st March 2020 is nil) as on reporting date is repayable on monthly installments of ₹ 18.42 lacs from Jan 2022 to Dec 2025.

14.2 Term Loan from HDFC Bank Limited

- a. Term loans of ₹ 1000 lacs from HDFC Bank Limited is secured by way of exclusive charge over land, Building, at I-26 & I-27, Site-C, UPSIDC Industrial Area,Surajpur Greater Noida, U.P. (Unit 5). Term loan are also secured by way of exclusive charge on plant and machinery situated at Unit 5 of Greater Noida and specific plant & machinery generated out of the term loan, situated at Unit 4 of Ahmednagar, Maharashtra. Personal Guarantee are also given by promoter directors i.e. Mr.Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta;
- a. i) Outstanding term loan as on 31 March 2021 is ₹ 246.22 lacs (as on 31 March 2020 is ₹ 348.84 lacs) repayable in monthly instalments of ₹ 18.36 lacs from April 2021 till March 2022 and balance amount of ₹ 25.90 lacs in April 2022.
- a. ii) Monthly Interest is being charged at the end of the month.
- b. Term loans of ₹ 1500 lacs from HDFC Bank Limited is secured by way of exclusive charge over land, Building, at A-20/2. MIDC Supa, District-Ahmednagar Maharashtra (Unit 4). Term loan are also secured by way of exclusive charge on specific plant & machinery generated out of the term loan, situated at Unit 4 of Ahmednagar, Maharashtra. Personal Guarantee are also given by promoter directors i.e.Mr.Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta;
- b. i) Outstanding term loan as on 31 March 2021 is ₹ 1128.18 lacs (as on 31 March 2020 is ₹ 1220.89 lacs) repayable in monthly instalments ₹ 20.35 lacs from April-21 to Dec-24 and ₹ 30.52 lacs from Jan-25 to May 25 and balance amount of ₹ 59.89 lacs in June 25.
- b. ii) Monthly Interest is being charged the end of the month.”
- c. Term loans of ₹ 900 lacs from HDFC Bank Limited against property taken over from Religare Finvest Limited is secured by way of exclusive charge over land, Building, at A-20/2. MIDC Supa, District- Ahmednagar Maharashtra (Unit 4). Term loan are also secured by way of exclusive charge on specific plant & machinery generated out of the term loan, situated at Unit 4 of Ahmednagar, Maharashtra. Personal Guarantee are also given by promoter directors i.e. Mr.Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta;

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

- c. i) Outstanding term loan as on 31 March 2021 is ₹ 624.62 lacs (as on 31 March 2020 is ₹ 729.50 lacs) repayable in monthly instalments from April 2021 till Nov.2027.
- c. ii) Monthly Interest is being charged end of the each month. “
- d. Term loans of ₹ 1500 lacs from HDFC Bank Limited is secured by way of exclusive charge over land, Building, at A-20/2, MIDC Supa, District-Ahmednagar Maharashtra (Unit 4) & at I-26 & I-27 at Site-C, UPSIDC, Surajpur Industrial Area, UP(Unit-5) .Term loan are also secured by way of exclusive charge on specific plant & machinery generated out of the term loan, situated at Unit 4 of Ahmednagar, Maharashtra & Unit-5 at Greater Noida UP. Personal Guarantee are also given by promoter directors i.e. Mr.Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta;
- d. i) Outstanding term loan as on 31 March 2021 is ₹ 1350.65 lacs (as on 31 March 2020 is ₹ 1438.36 lacs) repayable in monthly instalments ₹ 20.55 lacs from April 2021 to June-2026 and balance amount of ₹ 56.12 lacs in July 2026.
- d. ii) Monthly Interest is being charged at the end of the each month.”
- e. Term loans of ₹ 1000 lacs from HDFC Bank Limited is secured by way of exclusive charge over land, Building, at A-20/2, MIDC Supa, District-Ahmednagar Maharashtra (Unit 4) & at I-26 & I-27 at Site-C, UPSIDC, Surajpur Industrial Area, UP(Unit-5) .Term loan are also secured by way of exclusive charge on specific plant & machinery generated out of the term loan, situated at Unit 4 of Ahmednagar, Maharashtra & Unit-5 at Greater Noida UP and hypothecation of entire current assets present and future on the company’s Unit 4 and Unit 5. Personal Guarantee are also given by promoter directors i.e. Mr.Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta;
- e. i) Outstanding term loan as on 31 March 2021 is ₹ 750.00 lacs (as on 31 March 2020 is Nil) repayable in monthly instalments ₹ 83.33 lacs from April 2021 to Dec 2021.
- e. ii) Monthly Interest is being charged at the end of the each month.
- f. Term loans ECGLC-02 of ₹ 2000 lacs from HDFC Bank Limited is secured by extension of second ranking charge over existing primary and collateral securities including mortgages created in favour of the Bank. Personal Guarantee are also given by promoter directors i.e. Mr.Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta;
- f. i) Outstanding term loan as on 31 March 2021 is ₹ 2000.00 lacs (as on 31 March 2020 is Nil) repayable in monthly instalments ₹ 33.33 lacs from Feb 2022 to Jan 2026.
- f. ii) Monthly Interest is being charged at the end of the each month.”
- g. Term loan from HDFC Bank -Moratorium Loan Covid -19 of deferment of existing term loans & interest amount was granted as per Covid -19 Panedemic Relief by RBI. g.i) outstanding term loan as on 31 March 2021 of ₹ 72.82 lacs repayable in Month of April 22, June 25, July 26 & Nov 27. g.ii) Monthly Interest is being charged at the end of the each month.

14.3 Loan against Property (LAP) from Aditya Birla Finance Limited (ABFL)

LAP 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. Anurag Gupta, Mr. Vishal Gupta & Mr. Vikas Gupta .
- d. During reporting period,LAP was fully repaid & charge has been fully satisfied.

14.4 Interest free term Loan (IFTL) from Uttar Pradesh Financial Corporation (UPFC)

Loan from UPFC was granted for general purpose of business requirement is secured by;

- a. Primary Security: Bank Guarantee of 100% value of loan was issued by State bank of india, Noida in favour of lender for entire period of 7 years plus 6 months delay period interest @ 15% p.a.,In case of non payment on due date ;”
- b. Guaranteed by promoter directors i.e. Mr. Anurag Gupta, Mr. Vishal Gupta & Mr. Vikas Gupta.

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

- c. Outstanding term loan as on 31 March 2021 is ₹ 683.14 lacs (as on 31 March 2020 is ₹ 346.62 lacs) repayable after 7 years from disbursement without any interest.

14.5 Term Loan from Tata Capital Financial Services Limited (TCFSL)

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

- a. Primary Security: Machineries purchased from the term loan & One month EMI of ₹ 8.56 lacs was deposited with TCFSL are interest free & will be adjusted in last EMI due in Feb 2025;
- b. Guaranteed by promoter directors i.e. Mr.Anurag Gupta, Mr.Vishal Gupta & Mr.Vikas Gupta .
- c. Outstanding term loan as on 31 March 2021 is ₹ 330.23 lacs (as on 31st March 2020 is ₹ 364.79 lacs) repayable in monthly installments from April 2021 till Feb 2025 along with interest.

14.6 Unsecured loans from directors of ₹ Nil (previous year ₹ 141.90 lacs) was given by directors on long term basis and are interest free.

14.7 Deferred payment against plant & machinery represents

- a. Outstanding amount of ₹ Nil (Previous year -₹332.02 lacs) is repayable in Nil installments for indegenious plant & machineries purchased from Haitian Huayuan Machinery India Pvt Ltd.
- b. Outstanding amount of ₹ 96.40 lacs equivalent to USD 1.30 lacs (Previous year ₹ 330.08 lacs) is repayable in 6 monthly installments in respect of imported plant & machineries purchased on credit without interest.
- c. Outstanding amount of ₹ 48.59 lacs equivalent to USD .66 lacs (Previous year -₹115.08 lacs) is repayable in 10 monthly installments each of USD .07 lacs in respect of imported plant & machineries purchased on credit without interest.
- d. Outstanding amount of ₹ 393.12 lacs (Previous year -Nil) is repayable in 24 monthly installments from April 2021 to March 23 for indegenious plant & machineries purchased from Haitian Huayuan Machinery India Pvt Ltd.
- e. Outstanding amount of ₹ 159.62 lacs equivalent to USD 2.16 lacs (Previous year -Nil) is repayable in 17 monthly installments each of USD .13 lacs in respect of imported plant & machineries purchased on credit without interest.

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

Name of the Bank/Others	ROI- PA	Wednesday, March 31, 2021		Tuesday, March 31, 2020		Nature of Security
		Loan Outstanding	Repayment Terms	Loan Outstanding	Repayment Terms	
1. HDFC Bank Ltd.	8.30 % to 10.51%	3.00	In EMIs ranging from 5 to 10 months -2 Nos loan accounts	10.08	In EMIs ranging from 1 to 22 months -4 Nos loan accounts	Secured by hypothecation of vehicle acquired under the respective vehicle loan
2. ICICI Bank Ltd.	9.11 % to 9.80%	19.95	In EMIs ranging from 09 to 14 months- 3 Nos loan accounts	42.47	In EMIs ranging from 21 to 26 months- 3 Nos loan accounts	
3. Axis bank	8.95 % to 9.05%	107.56	In EMIs ranging from 20 to 45 months- 4 nos loan accounts	86.12	In EMIs ranging from 32 to 38 months- 4 nos loan accounts	
4. Yes bank	9.24%	9.19	In EMIs of 20 months	14.06	In EMIs of 32 months	
5. Sundram Finance Limited	9.25 % to 11.00 %	11.35	In EMIs of 12 months- 4 nos loan accounts	25.41	In EMIs ranging from 6 to 24 months- 4 nos loan accounts	
Total- Vehicle Loans		151.05		178.13		

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

15. PROVISIONS

₹ in Lacs

PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
Non-Current		
Provision for employee benefits		
Gratuity (refer note no. 32)	269.99	313.49
Compensated absences (refer note no. 32)	290.08	261.14
Total	560.07	574.63

₹ in Lacs

PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
Current		
Provision for employee benefits		
Gratuity (refer note no. 32)	20.81	33.61
Compensated absences (refer note no. 32)	20.22	26.99
Total	41.03	60.60

16. CURRENT BORROWINGS

₹ in Lacs

PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
Secured- at amortised cost		
Repayable on demand		
- Cash Credit Limit from State Bank of India	1,745.52	2,918.59
- Demand loan covid-19 from State Bank of India	0.01	250.00
- Cash Credit Limit from HDFC	239.95	484.46
- WCDL from HDFC Bank	1,000.00	950.00
- Overdraft from State Bank of India	19.06	180.15
	3,004.54	4,783.19
Unsecured- at amortised cost		
Bill discounting from banks		
- From HDFC Bank	3,558.15	5,608.13
	3,558.15	5,608.13
Total current borrowings	6,562.69	10,391.32

A. Cash Credit Limit and Non-Fund Based Limit from State Bank of India

- I. CC Limits and Non-fund based limit & Demand loan Covid-19 from State Bank of India are secured by way of hypothecation of entire current assets including raw material, work-in-progress, finished goods, Book debts, advance payments, stock in transit, other current assets, cash margins of Unit 1, 2 & 3 of the Company;
- II. Collateral Security : Factory Land and Building situated at Plot no- P-4/2 - 4/6 and Plot No E-14 & E-15, Site-B, UPSIDC Industrial Area, Surajpur, Greater Noida of Company and Building situated at Khasra No 268 & 275, Village Raipur, Roorkee, Haridwar, Uttarakhand, factory land which is in the name of M/s PG Electronics and Mr. Vishal Gupta;
- III. Personal and Corporate Guarantee: Secured by Personal Guarantee of promoter directors i.e. Mr.Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta and Corporate Guarantee of M/s PG Electronics.
- IV. Factory land and building of Plot no F-20, Site, B, UPSIDC Industrial Area, Surajpur, Greater Noida, District Gautam Budh Nagar is the prime security.
- V. All fixed assets except land & building and specified machinery charged under term loans of Unit-1, 2 & 3.

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

B. Cash Credit Limit, WCDL and Non-Fund Based Limit from HDFC Bank Limited

- I. CC Limits, WCDL and Non-Fund based Limit from HDFC Bank Limited are secured by way of hypothecation of entire current assets present and future of Unit 4 & 5 of the Company; WCDL (sub-Limit of CC limits) was given for 90 days only and to be renewed thereafter. II. Collateral Security : Factory Land and Building situated at I-26 & 27, Site C, UPSIDC Industrial Area, Surajpur, Greater Noida, U.P (Unit-5) and A-20/2. MIDC Supa, District- Ahmednagar Maharashtra (Unit-4) of Company;
- III. Personal and third party Guarantee: Secured by Personal Guarantee of promoter directors i.e. Mr. Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta.

C. Overdraft Limit from State Bank of India

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

D. Bill Discounting Limits from HDFC Bank

- I. Bill discounting limit from HDFC Bank are secured by personal guarantee of promoter directors i.e Mr. Anurag Gupta, Mr. Vishal Gupta & Mr. Vikas Gupta & Cash margin of ₹ 2 Cr. were deposited with bank in the form of FDR.
- II. Collateral Security : Factory Land and Building situated at I-26 & 27, Site C, UPSIDC Industrial Area, Surajpur, Greater Noida, U.P (Unit-5) and A-20/2. MIDC Supa, District- Ahmednagar Maharashtra (Unit-4) of Company are given for ₹ 40 Cr. sub-limit out of Bill discounting limit for cash limits.

17. TRADE PAYABLES

PARTICULARS	₹ in Lacs	
	As at 31 st March, 2021	As at 31 st March, 2020
Trade payables (at amortised cost)	12,142.27	7,983.65
Acceptances:		
Letter of Credit from State Bank of India & HDFC Bank*	2,178.76	1,147.98
Foreign letter of credit from State Bank of India & HDFC Bank*	1,013.70	1,499.81
Total	15,334.73	10,631.44

*Refer Note No. 16.

PARTICULARS	₹ in Lacs	
	As at 31 st March, 2021	As at 31 st March, 2020
Trade payables (at amortised cost)		
- Total outstanding dues of micro and small enterprises (refer note 40)	1,104.25	761.46
- Total outstanding dues of creditors other than micro and small enterprises	14,230.48	9,869.98
Total trade payables	15,334.73	10,630.94

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

18. OTHER FINANCIAL LIABILITIES

₹ in Lacs

PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
Non-Current		
At amortised cost		
Lease Liabilities	53.96	107.33
Security deposits	17.37	17.31
Total other financial liabilities	71.33	124.64
Current		
At amortised cost		
Current maturities of long-term borrowings (refer note no. 14)	3,058.61	1,495.04
Interest accrued and due on borrowings	79.83	72.72
Capital creditors	274.48	162.82
Expenses creditors	1,155.12	814.89
Employee benefits & other dues payable	264.48	234.06
Lease Liabilities	98.74	114.42
Advance for security Deposit	0.57	0.57
Total other financial liabilities	4,931.83	2,894.53

19. OTHER CURRENT LIABILITIES

₹ in Lacs

PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
Advance from customers	109.41	125.05
Expenses Payable	136.55	101.76
Statutory remittances		
- TDS payable	51.53	41.39
- TCS payable	9.32	0.09
- ESI Payable	3.39	4.14
- PF payable	36.97	31.23
- Ex-gratia Payable	45.18	46.95
- Bonus payable	135.39	141.77
- GST payable	1,173.73	130.36
- Professional tax payable	0.50	0.43
Others	10.98	10.98
Total other current liabilities	1,712.95	634.15

20. INCOME TAX BALANCES

₹ in Lacs

PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
Current		
Income Tax Assets (Net)		
Income Tax Refund due for earlier years	32.81	82.63
TDS/TCS/Advance Tax -Refund due	150.12	221.26
Income tax Assets (Net)	182.93	303.89
Income Tax Liabilities (Net)		
Provision for income tax	-	-
Provision on other comprehensive income (OCI)	-	-
Total Income tax Liabilities (Net)	-	-

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

21. REVENUE FROM OPERATIONS

PARTICULARS	₹ in Lacs	
	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Sale of products		
Finished goods	66,315.57	60,126.23
Traded goods	3,609.67	3,576.52
Sale of services		
Job Work Charges	137.06	98.19
Repair of Moulds	35.20	39.93
Other operating revenue		
Sale of scrap	223.15	100.84
	70,320.65	63,941.71

Note: The Company collects GST on behalf of the Government. Hence, GST is not included in Revenue from operations.

22. OTHER INCOME

PARTICULARS	₹ in Lacs	
	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
22.1 Interest income		
Interest income from bank deposits	58.95	38.02
Interest income from financial liabilities at amortised cost	-	1.25
Interest income from others	58.44	43.54
	117.39	82.81
22.2 Other non-operating income		
Rental income	74.91	76.35
PSI Incentive 2007 from MIDC	-	48.94
Miscellaneous income	0.01	0.03
	74.92	125.32
22.3 Other gains		
Profit on sale of fixed assets	44.37	5.23
Credit balances written back	9.10	29.65
Gain on lease termination	3.62	-
Profit on Recognition of Investment through FVTPL	1.45	-
Rent concession on lease	8.03	-
Others	3.25	3.84
	69.82	38.72
	262.13	246.85

23. COST OF MATERIAL CONSUMED

PARTICULARS	₹ in Lacs	
	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Stock at the beginning of the year	5,406.60	4,293.27
Add: Purchases	56,390.69	52,617.03
Less: Discount received from suppliers	(90.01)	(141.29)
Less: Cost of goods traded	(3,501.38)	(3,469.23)
Less: Stock loss due to Fire	-	(287.13)
Less: Stock at the end of the year	(6,374.72)	(5,406.60)
	51,831.18	47,606.05

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

23.1 COST OF GOODS TRADED

₹ in Lacs

PARTICULARS	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Cost of Goods traded	3,501.38	3,469.23
	3,501.38	3,469.23

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

₹ in Lacs

PARTICULARS	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Inventories at the beginning of the year:		
Work-in progress	1,976.06	1,627.41
Finished goods	925.62	689.96
Total inventories at the beginning of the year	2,901.68	2,317.37
Inventories at the end of the year:		
Work-in progress	1,542.57	1,976.06
Finished goods	1,040.21	925.63
Total inventories at the end of the year	2,582.78	2,901.69
Add/(Less): Stock Losses due to Fire	-	(118.62)
Total changes in inventories of finished goods and work-in-progress	318.90	(702.94)

25. EMPLOYEE BENEFIT EXPENSES

₹ in Lacs

PARTICULARS	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Salaries and wages	4,904.88	4,738.65
Contribution to provident and other funds (refer note no. 32)	204.33	209.73
Leave encashment (refer note no. 32)	62.57	126.41
Gratuity expense (refer note no. 32)	102.35	105.68
Other employee benefits	225.38	214.08
Total changes in inventories of finished goods and work-in-progress	5,499.51	5,394.54

26. FINANCE COST

₹ in Lacs

PARTICULARS	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Interest costs:		
Interest on borrowings		
- Interest to Bank	988.41	727.68
- Interest to Other	44.54	17.22
- Interest On Car Loan	14.91	18.60
- Other interest expense	91.51	53.55
Other borrowing costs		
Discounting Charges, Processing fee	704.21	658.40
	1,843.58	1,475.45

27. DEPRECIATION AND AMORTIZATION EXPENSES

₹ in Lacs

PARTICULARS	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Depreciation of property, plant and equipment (refer note 3)	1,780.32	1,609.73
Amortisation of intangible assets (refer note 4)	20.91	21.30
	1,801.23	1,631.03

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

28. OTHER EXPENSES

PARTICULARS	₹ in Lacs	
	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Stores, spares and tools consumed	293.96	246.13
Power and fuel	1,612.72	1,655.05
Sub-contracting expenses	368.18	292.53
Freight and forwarding charges	394.73	683.54
Rent*	85.53	30.57
Rates and taxes	77.46	32.08
Insurance	133.06	76.65
Repairs and maintenance:		
Machinery	275.03	178.26
Building	154.03	42.30
Others	54.14	40.39
Travelling and conveyance	42.46	77.36
Vehicle running & maintenance	110.16	54.54
Communication costs	14.52	17.47
Printing and stationery	16.42	21.56
Security expenses	142.92	122.95
Legal and professional fees	74.63	138.29
Provision for doubtful debts & advances (Net)	68.68	257.06
Provision for Slow/Non moving inventories	67.75	-
Written off of Bad Debts	170.65	481.47
Reversal of provision for doubtful debts & advances	(170.65)	(481.47)
Payment to auditor (Refer details below Note-28.1)	15.00	15.00
Payment to cost auditor	3.00	3.00
Directors sitting fees	7.80	7.80
Loss on sale of property, plant and equipment	5.86	0.14
Property, Plant & Equipments written off	12.83	-
Late delivery charges paid to customers	5.40	17.43
Misc. Balance Written off	62.94	53.74
Miscellaneous expenses	94.03	119.48
	4,193.24	4,183.32
*Rent includes rent for assets other than building of ₹ 4.48 lacs (PY - ₹Nil).		
Exceptional Items		
Foreign Exchange rate fluctuation (Net)	(65.39)	103.24
Losses due to Fire-Inventory (Net)*	146.94	26.32
Losses due to Fire-Fixed Assets (Net)*	-	71.37
	81.55	200.93

* During the year 2019-20, fire broke out on 15th June 2019 in Washing Machine Division of the Company situated at P-4/6, UPSIDC Industrial Area, Surajpur, Greater Noida, Uttar Pradesh resulting in loss/damages of inventory and property, plant & equipments. Losses of inventory of ₹ 146.94 lacs (PY-₹ 26.32 lacs) have been recognized net off insurance claim to be received and ₹ Nil (PY-₹71.37 lacs) of property, plant & equipments have been recognized net of insurance claim settled.

28.1 Detail of payment to auditors

PARTICULARS	₹ in Lacs	
	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Audit fee	4.50	4.50
Tax audit fee	1.00	1.00
Limited review fee	9.50	9.50
	15.00	15.00

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

29. INCOME TAX EXPENSES

Income tax recognised in profit & loss

₹ in Lacs

PARTICULARS	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Current tax:		
In respect of the current year	-	-
In respect of the prior years	-	-
Total current tax expense	-	-
Deferred tax:		
In respect of current year origination and reversal of temporary differences	350.46	669.47
Total deferred tax expense recognized in profit & loss	350.46	669.47

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

₹ in Lacs

PARTICULARS	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Profit before tax from continuing operations	1,512.21	930.95
	1,512.21	930.95
Income tax expense calculated @ 25.168% U/S 115BAA	-	-
	-	-
Effective Tax Rate	0.00%	0.00%

During the year 2019-20, the Company has opted for reduced tax rate as per section 115BAA of the Income Tax Act, 1961 (introduced by the Taxation Laws (Amendment) Ordinance, 2019). Accordingly, the Company has recognised Provision for Income Tax for the year and re-measured its Deferred tax liability basis the rate prescribed in the said section and unutilised MAT credit entitlement has been written off.

30. EARNINGS PER SHARE

₹ in Lacs

PARTICULARS	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Profit for the year attributable to owners of the Company (with OCI)	1,213.95	220.39
Weighted average number of equity shares for the purposes of basic EPS	19,529,368	18,766,950
Effect of potential equity shares on Warrants	752	-
Weighted average number of equity shares for the purposes of diluted EPS	19,530,120	18,766,950
Basic earnings per share (face value of ₹ 10 per share)	6.22	1.17
Diluted earnings per share (face value of ₹ 10 per share)	6.22	1.17

₹ in Lacs

PARTICULARS	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Profit for the year attributable to owners of the Company (without OCI)	1,161.75	261.48
Weighted average number of equity shares for the purposes of basic EPS	19,529,368	18,766,950
Effect of potential equity shares on Warrants	752	-
Weighted average number of equity shares for the purposes of diluted EPS	19,530,120	18,766,950
Basic earnings per share (face value of ₹ 10 per share)	5.95	1.39
Diluted earnings per share (face value of ₹ 10 per share)	5.95	1.39

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

31. SEGMENT INFORMATION

Operating segment are defined as components of the company about which separate 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 ₹ 505.81 lacs as at 31 March 2021 (31 March 2020 - ₹ 85.95 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

PARTICULARS	₹ in Lacs	
	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
India	70,308.58	63,888.61
Rest of World	12.07	53.10
	70,320.65	63,941.71

Revenue by nature of products/services

PARTICULARS	₹ in Lacs	
	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Sale of products		
Finished goods	66,315.57	60,126.23
Traded goods	3,609.67	3,576.52
Sale of services :		
Job Work Charges	137.06	98.19
Repair of Moulds	35.20	39.93
Other operating revenue :		
Sale of scrap	223.15	100.84
	70,320.65	63,941.71

There are three customers who has contributed 10% or more each to the Company's revenue for the year ended 31 March 2021 amounting to ₹ 33061.08 lacs and there were three customers who has contributed 10% or more each to the Company's revenue for the year ended 31 March 2020 amounting to ₹ 36002.56 lacs

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 Provident Fund Organisation, 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:

PARTICULARS	₹ in Lacs	
	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Company's contribution to Provident Fund	170.50	168.65
Administrative charges on above fund	7.60	7.33
Company's contribution to Employee State Insurance Scheme	26.23	33.75
	204.33	209.73

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

(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
- 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 than 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:

₹ in Lacs

PARTICULARS	LEAVE ENCASHMENT	
	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Discounting rate	6.81%	6.80%
Future salary growth rate	10.00%	10.00%
Life expectancy/ Mortality rate*	100% of IALM 2012-14	100% of IALM 2012-14
withdrawal rate	5.00%	5.00%
Method used	Projected unit credit Actuarial method	Projected unit credit Actuarial method

₹ in Lacs

PARTICULARS	GRATUITY	
	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Discounting rate	6.81%	6.80%
Future salary growth rate	10.00%	10.00%
Life expectancy/ Mortality rate*	100% of IALM 2012-14	100% of IALM 2012-14
withdrawal rate	5.00%	5.00%
Method used	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 2012-14 ultimate/PY-IALM 2012-14 ultimate). These assumptions translate into an average life expectancy in years at retirement age.

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

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

₹ in Lacs

PARTICULARS	LEAVE ENCASHMENT	
	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Current service cost	67.00	67.09
Net interest expense	19.59	15.17
Remeasurement-Actuarial loss/(gain)	(24.02)	44.15
Components of defined benefit costs recognised in profit or loss	62.57	126.41
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amount included in net interest expense)	-	-
Actuarial (gain)/ loss arising form changes in financial assumptions	-	-
Actuarial (gain) / loss arising form changes in demographic assumptions	-	-
Actuarial (gain) / loss arising form experience adjustments	-	-
Components of defined benefit costs recognised in other comprehensive income	-	-
Total	62.57	126.41

₹ in Lacs

PARTICULARS	GRATUITY	
	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Current service cost	78.75	83.99
Net interest expense	23.60	21.69
Remeasurement-Actuarial loss/(gain)	-	-
Components of defined benefit costs recognised in profit or loss	102.35	105.68
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amount included in net interest expense)	1.99	2.18
Actuarial (gain) / loss arising form changes in financial assumptions	(0.53)	46.50
Actuarial (gain) / loss arising form changes in demographic assumptions		
Actuarial (gain) / loss arising form experience adjustments	(53.66)	(7.60)
Components of defined benefit costs recognised in other comprehensive income	(52.20)	41.09
Total	50.15	146.77

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:

₹ in Lacs

PARTICULARS	LEAVE ENCASHMENT	
	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Present value of defined benefit obligation as at the end of the year	310.30	288.13
Fair value of plan assets		
Funded status	(310.30)	(288.13)
Net asset/(liability) arising from defined benefit obligation		
Recognised in the balance sheet	(310.30)	(288.13)

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

₹ in Lacs

PARTICULARS	GRATUITY	
	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Present value of defined benefit obligation as at the end of the year	478.73	473.17
Fair value of plan assets	187.94	126.08
Funded status	(290.79)	(347.10)
Net asset/(liability) arising from defined benefit obligation Recognised in the balance sheet	(290.79)	(347.10)

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

₹ in Lacs

PARTICULARS	LEAVE ENCASHMENT	
	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Present value of defined benefit obligation at the beginning of the year	288.13	195.21
Expenses recognised in profit and loss account:		
Current Service Cost	67.00	67.09
Interest Expense (Income)	19.59	15.17
Remeasurement-Actuarial loss/gain	(24.02)	44.15
Remeasurement gains / (losses) recognised in other comprehensive income:		
Actuarial Gain (Loss) arising from:		
i. Demographic Assumptions	-	-
ii. Financial Assumptions	-	-
iii. Experience Adjustments	-	-
Benefit paid	(40.40)	(33.49)
Present value of defined benefit obligation at the end of the year	310.30	288.13

₹ in Lacs

PARTICULARS	GRATUITY	
	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Present value of defined benefit obligation at the beginning of the year	473.17	349.87
Expenses recognised in profit and loss account:		
Current Service Cost	78.75	83.99
Interest Expense (Income)	32.18	27.18
Remeasurement-Actuarial loss/gain	-	-
Remeasurement gains / (losses) recognised in other comprehensive income:		
Actuarial Gain (Loss) arising from:		
i. Demographic Assumptions	-	-
ii. Financial Assumptions	(0.53)	46.50
iii. Experience Adjustments	(53.66)	(7.60)
Benefit paid	(51.18)	(26.78)
Present value of defined benefit obligation at the end of the year	478.73	473.17

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

₹ in Lacs

PARTICULARS	LEAVE ENCASHMENT	
	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Fair value of plan assets at the beginning of the year	-	-
Expenses recognised in profit and loss account		
Expected return on plan assets	-	-
Remeasurement gains / (losses) recognised in other comprehensive income		
Actual Return on plan assets in excess of the expected return	-	-
Contributions by employer	40.40	33.49
Benefit payments	(40.40)	(33.49)
Fair value of plan assets at the end of the year	-	-

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

₹ in Lacs

PARTICULARS	GRATUITY	
	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Fair value of plan assets at the beginning of the year	126.08	70.76
Expenses recognised in profit and loss account		
Expected return on plan assets	6.58	3.32
Remeasurement gains / (losses) recognised in other comprehensive income		
Actual Return on plan assets in excess of the expected return	34.46	6.78
Contributions by employer	72.00	72.00
Benefit payments	(34.46)	(6.78)
Benefits paid from the plan assets	(16.72)	(20.00)
Fair value of plan assets at the end of the year	187.94	126.08

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

₹ in Lacs

PARTICULARS	2020-21	2019-20
Fund managed by the insurer.	100%	100%

(h) Sensitivity analysis

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

PARTICULARS	Change in Assumptions	Effect on Gratuity Obligation	Change in Assumptions	Effect on leave Encashment
For the year ended March 31, 2020	0.50%	(24.98)	0.50%	(14.10)
Discount Rate	-0.50%	27.39	-0.50%	15.34
	1.00%	48.95	1.00%	30.05
Salary Growth Rate	-1.00%	(41.90)	-1.00%	(26.03)
	2.00%	(22.13)	2.00%	(10.69)
Withdrawal rate	-2.00%	29.95	-2.00%	14.08

PARTICULARS	Change in Assumptions	Effect on Gratuity Obligation	Change in Assumptions	Effect on leave Encashment
For the year ended March 31, 2021				
Discount Rate	0.50%	(25.29)	0.50%	(15.17)
	-0.50%	27.71	-0.50%	16.50
Salary Growth Rate	1.00%	49.18	1.00%	32.27
	-1.00%	(42.18)	-1.00%	(27.99)
Withdrawal rate	2.00%	(22.20)	2.00%	(11.34)
	-2.00%	29.91	-2.00%	14.93

33. CAPITAL MANAGEMENT

For the purpose of Capital Management, Capital includes net debt and total 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.

₹ in Lacs

PARTICULARS	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March, 2020
Non-current borrowings (note 14)	8,983.82	6,936.29
Current borrowings (note 16)	6,562.69	10,391.32
Current maturities of long term borrowings (note 14)	3,058.61	1,495.04
Total debts (A)	18,605.12	18,822.65
Less: Cash and cash equivalent (note 11(a))	(740.45)	(1,128.94)
Net Debt (A)	17,864.67	17,693.72
*Total equity (note 12 & note 13) (B)	19,247.11	17,622.52
Gearing ratio (A/B)	92.82%	100.40%

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

During the year 2019-20, the company had allotted 8,74,584 equity shares on preferential basis pursuant to conversion of loan to Mr. Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta and Mrs Sudesh Gupta (Nominee of late Mr. Promod Gupta).

During the year 2020-21, the company had allotted 1,65,000 equity shares of Face value of ₹ 10 on conversion of warrants allotted to promoters & non-promoters on private placement basis to Mr. Anurag Gupta, Mr. Vishal Gupta, Mr. Vikas Gupta and Mr. Arvind Yeshwant Pradhan.

Further, no changes were made in the objectives, policies or process for managing capital during the years ended 31 March 2021 and 31 March 2020. The Company is not subject to any externally imposed capital requirements.

The financial statements of the Company for the year ended March 31, 2021 were approved for issue in accordance with the resolution of the Board of Directors on June 05, 2021.

The Board of Directors at their meeting held on 25th May, 2021, have inter-alia approved the following:

- (i) Issue of 10,76,904 17.96% Compulsorily Convertible Debentures (“CCDs”) of face value of ₹ 337/- each and Equity Shares towards coupon payment arising on conversion of Compulsorily Convertible Debentures.
- (ii) Issue of 11,95,950 Equity Shares of face value of ₹ 10/- each fully paid up, at a price of ₹ 337/- per equity share on preferential basis.

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:

	As at 31 st March, 2021	As at 31 st March, 2020
Total receivables (note 5)	14,725.64	10,118.62
Receivables individually in excess of 10% of the total receivables	8,144.37	4,298.68
Percentage of above receivables to the total receivables of the Company	55.31%	42.48%

₹ in Lacs

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

(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.

PARTICULARS	₹ in Lacs	
	As at 31 st March, 2021	As at 31 st March, 2020
Total current assets	28,301.70	23,066.81
Total current liabilities	28,583.23	24,612.04
Current ratio	0.99	0.94

Maturities analysis of financial liabilities:

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

PARTICULARS	on demand	< 1 year	1-3 year	3-5 year	More than-5 years	Total Amount
As at 31st March 2021						
Borrowings	6,562.69	-	4,477.32	3,243.22	1,263.28	15,546.51
Trade payable	-	15,334.73	-	-	-	15,334.73
Other financial liabilities	-	4,931.83	71.33	-	-	5,003.16
	6,562.69	20,266.56	4,548.65	3,243.22	1,263.28	35,884.40

PARTICULARS	on demand	< 1 year	1-3 year	3-5 year	More than-5 years	Total Amount
As at 31st March 2020						
Borrowings	10,391.32	-	3,118.70	2,399.00	1,418.59	17,327.61
Trade payable	-	10,631.44	-	-	-	10,631.44
Other financial liabilities	-	2,894.53	124.64	-	-	3,019.17
	10,391.32	13,525.97	3,243.34	2,399.00	1,418.59	30,978.22

(iii) Market risk

The Company is exposed to following key market risks:

- Interest rate risk on loans and borrowings
- Commodity price risk
- 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 ruppees and USD. The Company has foreign currency trade payables and is therefore exposed to foreign exchange risk.

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

35. RELATED PARTY TRANSACTIONS

Pursuant to compliance of Indian Accounting Standard (IND AS) 24 "Related Party Disclosures", the relevant information is provided here below:

(i) Related parties where control exists

PG Technoplast Private Limited – Wholly owned subsidiary

(ii) Related parties with whom transactions have taken place during the year alongwith details of such transactions and outstanding balances as at the end of the year:

		₹ in Lacs	
Name of related party and nature of transactions	Relationship	For the Year ended 31-Mar-2021	For the Year ended 31-Mar-2020
Rent Income			
PG Technoplast Private Limited	Wholly Owned Subsidiary	0.15	-
Rent Security Received			
PG Technoplast Private Limited	Wholly Owned Subsidiary	0.06	-
Investment in Wholly owned subsidiary			
PG Technoplast Private Limited	Wholly Owned Subsidiary	2.00	-
Rent Paid			
Mr. Vishal Gupta (Executive Director)	Key Management Personnel	0.15	0.15
Mrs. Sudesh Gupta	Relative of Key Management Personnel	16.20	16.20
PG Electronics	Other related party	0.60	0.60
Reimbursement of Expenses			
Mr. Mahabir Prasad Gupta (Chief Financial Officer) from 23.06.2020 till 31.01.2021	Key Management Personnel	0.91	0.93
Mr. Praveen Datt Agarwal (Chief Financial Officer) till 31.05.2020	Key Management Personnel	1.40	3.15
Mr. Bhawa Nand Choudhary - Managing Director till 31.03.2021	Key Management Personnel	1.81	0.33
Mr. Anurag Gupta (Executive Director)	Key Management Personnel	12.00	6.00
Mr. Vishal Gupta (Executive Director)	Key Management Personnel	12.00	6.00
Mr. Vikas Gupta (Executive Director)	Key Management Personnel	12.00	6.00
Mr. Pranav Gupta	Relative of Key Management Personnel	4.20	1.40
Mr. Aditya Gupta	Relative of Key Management Personnel	1.20	0.40
Mrs. Kanika Gupta	Relative of Key Management Personnel	3.24	1.08
Loan Repayment			
Mr. Promod Gupta (Chairman & Managing Director) till 29.11.2019	Key Management Personnel	-	45.00
Mr. Vishal Gupta (Executive Director)	Key Management Personnel	41.73	-
Mr. Vikas Gupta (Executive Director)	Key Management Personnel	41.44	-
Mr. Anurag Gupta (Executive Director)	Key Management Personnel	58.73	-
Mrs. Sudesh Gupta	Relative of Key Management Personnel	-	2.29
Loan converted into equity share capital			
Mr. Vishal Gupta (Executive Director)	Key Management Personnel	-	125.00
Mr. Vikas Gupta (Executive Director)	Key Management Personnel	-	125.00
Mr. Anurag Gupta (Executive Director)	Key Management Personnel	-	125.00
Mrs. Sudesh Gupta	Relative of Key Management Personnel	-	125.00
Money Received Against Share Warrants converted in Equity Share Capital			
Mr. Vishal Gupta (Executive Director)	Key Management Personnel	52.50	-
Mr. Vikas Gupta (Executive Director)	Key Management Personnel	52.50	-
Mr. Anurag Gupta (Executive Director)	Key Management Personnel	52.50	-

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

₹ in Lacs

Name of related party and nature of transactions	Relationship	For the Year ended 31-Mar-2021	For the Year ended 31-Mar-2020
Remuneration			
Mr. Promod Gupta (Chairman & Managing Director) till 29.11.2019	Key Management Personnel	-	62.13
Mr. Vishal Gupta (Executive Director)	Key Management Personnel	111.88	109.48
Mr. Vikas Gupta (Executive Director)	Key Management Personnel	115.18	109.48
Mr. Anurag Gupta (Executive Director)	Key Management Personnel	85.07	91.37
Mr. Mahabir Prasad Gupta (Chief Financial Officer) from 23.06.2020 to 31.01.2021	Key Management Personnel	9.01	9.36
Mr. Sanchay Dubey (Company Secretary)	Key Management Personnel	3.55	4.35
Mr. Praveen Datt Agarwal (Chief Financial Officer) till 31.05.2020	Key Management Personnel	6.18	13.80
Mr. Bhawa Nand Choudhary - Managing Director till 31.03.2021	Key Management Personnel	27.66	8.31
Mr. Promod Chimmanlal Gupta (Chief Financial Officer) w.e.f. 01.02.2021	Key Management Personnel	9.41	-
Director Sitting Fee			
Mr. Ayodhya Prasad Anand (Independent Non-Executive Director) till 10.08.2019	Key Management Personnel	-	0.70
Mr. Devendra Jha (Independent Non-Executive Director) till 08.02.2021	Key Management Personnel	1.70	2.00
Mr. Sharad Jain (Independent Non-Executive Director)	Key Management Personnel	2.10	2.00
Mrs. Rita Mohanty (Independent Non-Executive Director)	Key Management Personnel	1.80	1.60
Mr. Pramod Chimmanlal Gupta (Independent Non-Executive Director) till 25.01.2021	Key Management Personnel	1.70	1.50
Mr. Kishore Kumar Kaul (Independent Non-Executive Director) w.e.f. 26.01.2021	Key Management Personnel	0.50	-
Salary to Relatives			
Mrs. Sarika Gupta	Relative of Key Management Personnel	25.47	30.32
Mrs. Nitasha Gupta	Relative of Key Management Personnel	25.42	30.32
Mrs. Neelu Gupta	Relative of Key Management Personnel	25.50	30.32
Mrs. Sudesh Gupta	Relative of Key Management Personnel	25.42	30.32
Mr. Pranav Gupta	Relative of Key Management Personnel	19.46	18.39
Mr. Aditya Gupta	Relative of Key Management Personnel	4.89	2.24
Mrs. Kanika Gupta	Relative of Key Management Personnel	7.70	3.41
Mrs. Anju Choudhary	Relative of Key Management Personnel	7.99	2.54
Mrs Sarita Gupta from 23.06.2020 till 31.01.2021	Relative of Key Management Personnel	3.80	-
Mr Vatsal Gupta	Relative of Key Management Personnel	5.23	-
Leave Encashment paid during the year			
Mrs. Sudesh Gupta - Nominee of late Mr. Promod Gupta	Relative of Key Management Personnel	-	19.78
Mr. Praveen Datt Agarwal (Chief Financial Officer) till 31.05.2020	Key Management Personnel	0.25	-
Mr. Bhawa Nand Choudhary - Managing Director till 31.03.2021	Key Management Personnel	12.69	-
Mrs. Anju Choudhary till 31.03.2021	Relative of Key Management Personnel	3.10	-
Provision for Leave Encashment			
Mr. Vishal Gupta (Executive Director)	Key Management Personnel	2.78	13.42
Mr. Vikas Gupta (Executive Director)	Key Management Personnel	4.10	13.67
Mr. Anurag Gupta (Executive Director)	Key Management Personnel	2.80	5.86

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

₹ in Lacs

Name of related party and nature of transactions	Relationship	For the Year ended 31-Mar-2021	For the Year ended 31-Mar-2020
Mr. Mahabir Prasad Gupta (Chief Financial Officer) w.e.f. 23.06.2020 to 31.01.2021	Key Management Personnel	0.27	0.37
Mr Sanchay Dubey (Company Secretary)	Key Management Personnel	(0.03)	(0.01)
Mr. Bhawa Nand Choudhary (Managing Director) till 31.03.2021	Key Management Personnel	-	0.33
Mr. Praveen Datt Agarwal (Chief Financial Officer) till 31.05.2020	Key Management Personnel	-	0.36
Mrs. Sarika Gupta	Relative of Key Management Personnel	1.15	1.98
Mrs. Nitasha Gupta	Relative of Key Management Personnel	1.13	1.94
Mrs. Neelu Gupta	Relative of Key Management Personnel	0.93	1.34
Mrs. Sudesh Gupta	Relative of Key Management Personnel	1.04	1.18
Mr. Pranav Gupta	Relative of Key Management Personnel	1.40	3.99
Mr. Aditya Gupta	Relative of Key Management Personnel	0.37	0.16
Mrs. Kanika Gupta	Relative of Key Management Personnel	0.53	0.23
Mrs. Anju Choudhary till 31.03.2021	Relative of Key Management Personnel	-	0.36
Mrs Sarita Gupta from 23.06.2020 till 31.01.2021	Relative of Key Management Personnel	0.11	-
Mr Vatsal Gupta	Relative of Key Management Personnel	0.33	-
Gratuity paid during the year			
Mrs. Sudesh Gupta- Nominee of late Mr. Promod Gupta	Relative of Key Management Personnel	-	20.00
Mr. Bhawa Nand Choudhary - Managing Director till 31.03.2021	Key Management Personnel	10.38	-
Mrs. Anju Choudhary till 31.03.2021	Relative of Key Management Personnel	2.54	-
Provision for Gratuity			
Mr. Vishal Gupta (Executive Director)	Key Management Personnel	0.36	1.04
Mr. Vikas Gupta (Executive Director)	Key Management Personnel	0.36	1.04
Mr. Anurag Gupta (Executive Director)	Key Management Personnel	0.51	1.14
Mr. Mahabir Prasad Gupta (Chief Financial Officer) w.e.f. 23.06.2020 to 31.01.2021	Key Management Personnel	0.25	0.27
Mr Sanchay Dubey (Company Secretary)	Key Management Personnel	0.17	0.47
Mr. Bhawa Nand Choudhary (Managing Director) till 31.03.2021	Key Management Personnel	-	0.27
Mrs. Sarika Gupta	Relative of Key Management Personnel	0.44	1.16
Mrs. Nitasha Gupta	Relative of Key Management Personnel	0.50	1.21
Mrs. Neelu Gupta	Relative of Key Management Personnel	0.87	1.45
Mrs. Sudesh Gupta	Relative of Key Management Personnel	0.87	0.97
Mr. Pranav Gupta	Relative of Key Management Personnel	0.78	1.94
Mr. Aditya Gupta	Relative of Key Management Personnel	0.28	-
Mrs. Kanika Gupta	Relative of Key Management Personnel	0.40	-
Mrs Sarita Gupta from 23.06.2020 till 31.01.2021	Relative of Key Management Personnel	0.11	-
Mr Vatsal Gupta	Relative of Key Management Personnel	0.26	-
Mrs Anju Choudhary	Relative of Key Management Personnel	-	0.38

(iii) Remuneration of key managerial personnel:

₹ in Lacs

Nature of transactions	For the Year ended 31-Mar-2021	For the Year ended 31-Mar-2020
Short term Employee benefits	377.85	442.26
Post employment benefits	1.65	4.24
Total	379.51	446.50

Remuneration and outstanding balances of KMP does not include long term employee benefits by way of gratuity and compensated absences, which are currently not payable and are provided on the basis of actuarial valuation by the Company.

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

(iv) Outstanding balances

Nature of transactions	Relationship	₹ in Lacs	
		For the Year ended 31-Mar-2021	For the Year ended 31-Mar-2020
Loan Payable			
Mr. Vishal Gupta (Executive Director)	Key Management Personnel	-	41.73
Mr. Vikas Gupta (Executive Director)	Key Management Personnel	-	41.44
Mr. Anurag Gupta (Executive Director)	Key Management Personnel	-	58.73
Rent Security Recoverable			
Mrs. Sudesh Gupta	Relative of Key Management Personnel	4.50	4.50
Rent Security Received			
PG Technoplast Private Limited	Wholly Owned Subsidiary	0.06	-
Investment			
PG Technoplast Private Limited	Wholly Owned Subsidiary	2.00	-
Payables			
PG International	Other related party	6.65	6.65
J. B. Electronics	Other related party	3.62	9.62
PG Electronics	Other related party	0.15	0.15
Mr. Vishal Gupta	Key Managerial Personnel	0.04	0.04

(v) Terms & conditions:

The outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided to or received for any related party receivable or payables. The Company has not recorded any impairment of receivables relating to amounts owed by related parties for the year ended 31 March 2021 and 31 March 2020 other than that stated above.

36. FAIR VALUE MEASUREMENTS

36.1 Financial instruments by category

PARTICULARS	₹ in Lacs			
	As at 31 st March, 2021		As at 31 st March, 2020	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets at amortised cost				
Fixed deposits with banks (Non Current)	-	-	5.35	5.35
Cash and bank balances	1,496.15	1,496.15	1,796.28	1,796.28
Trade and other receivables	14,725.64	14,725.64	10,118.62	10,118.62
Loans (current)	31.32	31.32	18.02	18.02
Other financial assets (Non Current)	311.99	311.99	235.19	235.19
Other financial assets (Current)	475.94	475.94	546.38	546.38
Investment In Equity Shares Of Subsidiary	2.00	1.43	-	-
Financial Assets at FVTPL				
Investment in mutual funds	15.45	15.45	-	-
Financial liabilities at amortised cost				
Borrowings (Non Current)	8,983.82	8,983.82	6,936.29	6,936.29
Borrowings (Current)	6,562.69	6,562.69	10,391.32	10,391.32
Other financial liabilities (Non current)	71.33	71.33	124.64	124.64
Other financial liabilities (Current)	4,931.83	4,931.83	2,894.53	2,894.53

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

36.2 Fair value hierarchy

The Company uses the following hierarchy for fair value measurement of the company's financial 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:

		₹ in Lacs	
Particulars	Levels	31-Mar-2021 Carrying Value	31-Mar-2020 Carrying Value
Financial Assets at amortised cost			
Other Financial Assets (Non-Current)	Level-3	311.99	235.19
Loans (Current)	Level-3	31.32	18.02
Financial Assets at FVTPL			
Investment in mutual funds	Level-1	15.45	-
Financial Liabilities at amortised cost			
Borrowings (Non Current)	Level-3	8,983.82	6,936.29
Borrowings (Current)	Level-3	6,562.69	10,391.32
Other Financial Liabilities (Non Current)	Level-3	71.33	124.64

During the year ended 31.03.2021 and 31.03.2020 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. LEASES

Lease arrangements

As Lessee:

On April 01, 2019, the company has adopted IND AS 116, Leases, applied to all lease contracts outstanding as at 31st March 2019, using modified retrospective method without re-stating comparative information (please refer to Note 2(d)).

		₹ in Lacs	
Payment recognized as expenses		31-Mar-2021 Carrying Value	31-Mar-2020 Carrying Value
Lease Payments (Lease for 12 months or less) (refer note 28)		81.06	30.57
Depreciation on Right-to-use Asset		107.49	73.93
Interest on Lease Liabilities		18.13	15.92
		206.68	120.42

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

₹ in Lacs

Non-cancellable lease commitments	As at 31 st March, 2020	
	Minimum lease payment	PV of Minimum Lease payment
Not later than one year	110.03	95.36
Later than one year and not later than five years	129.96	121.30
Later than five years	11.01	5.08
	251.00	221.75
Less: Amount Representing Interest	29.25	-
Present value of minimum lease payment payables	221.75	-

₹ in Lacs

Non-cancellable lease commitments	As at 31 st March, 2021	
	Minimum lease payment	PV of Minimum Lease payment
Not later than one year	107.36	98.73
Later than one year and not later than five years	51.85	48.88
Later than five years	7.50	5.08
	166.71	152.70
Less: Amount Representing Interest	14.01	-
Present value of minimum lease payment payables	152.70	152.70

38. COMMITMENTS

₹ in Lacs

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Estimated amount of contracts remaining to be executed on Capital account and not provided for (Net of advances)	1,288.52	1,094.42

39. CONTINGENT LIABILITIES

₹ in Lacs

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Contingent liability (to the extent not provided for)		
Claims against the company not acknowledged as debts (excluding interest & penalty)		
Central Excise (FY 2008-09 to 2011-12) {see note below}	765.73	765.73
Total	765.73	765.73

Excise department has issued show cause notice dated 22nd Dec., 2011 for ₹ 765.73 lacs in respect of CTV sold to ELCOT, Tamil Nadu (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 before Supreme Court for final decision.

Notes to the Standalone Financial Statements

for the year ended on 31st March 2021

40. DISCLOSURES REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

Based on the intimation received by the Company from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the relevant information is provided here below:

Particulars	₹ in Lacs	
	As at 31 st March, 2021	As at 31 st March, 2020
The principle amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;		
(i) Principal Amount	1,104.25	757.98
(ii) Interest due on above	-	3.48
The amount of interest paid by the buyer in terms of section 16 of Micro, Small and Medium Enterprises Development 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 without adding the interest specified under the Micro, Small and Medium Enterprises Development 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 Development Act, 2006,	-	3.48

41. CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year, Company is not covered under the provisions of CSR as specified in the Companies Act 2013.

- 42.** Consequent to the disruption caused due to Covid-19, the company has made an assessment as at March 31, 2021 of recoverability of the carrying values its assets such as property, plant and equipment, intangible assets, inventory, trade receivables and other current assets giving due consideration to the internal and external factors. Further, on account of continued spread of Covid-19 disease in the country, the company has made timely and requisite changes which has resulted in consistent growth during the year. The company is continuously monitoring the situation arising on account of Covid-19 and will make appropriate action required, if any.

43. STANDARDS ISSUED BUT NOT YET EFFECTIVE

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2021.

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

UDIN:21098247AAAAUN3505

Place: Greater Noida, U.P.

Dated: 05th June, 2021

For and on behalf of Board of Directors

PG Electroplast Ltd

(Anurag Gupta)

Chairman & Executive Director

DIN-00184361

(Sanchay Dubey)

Company Secretary

ACS No:A51305

(Vishal Gupta)

Managing Director - Finance

DIN-00184809

(Promod C Gupta)

Chief Financial Officer



**Consolidated
Financial
Statements**

Independent Auditor's Report

To

THE MEMBERS OF PG ELECTROPLAST LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of PG Electroplast Limited ("the Holding Company"), its subsidiaries (the holding company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31st March 2021, and the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and consolidated notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information ("consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of consolidated affairs of the Group as at March 31, 2021, and its consolidated profit, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

For each matter below, our description of how our audit addressed the matter is provided in that context.

Key audit matters	How our audit addressed the key audit matter
<p>Revenue Recognition</p> <p>Revenue from the sale of goods (hereinafter referred to as "Revenue") is recognized when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery.</p> <p>The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred.</p> <p>Refer Note 2(b) of the Consolidated Financial Statements – Significant Accounting Policies</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> • Evaluating the integrity of the general information and technology control environment and testing the operating effectiveness of key IT application controls. • Evaluating the design and implementation of Company's controls in respect of revenue recognition. • Testing the effectiveness of such controls over revenue cut off at year-end. • Testing the supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to the year end, including examination of credit notes issued after the year end to determine whether revenue was recognized in the correct period. • Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing. • Assessing the appropriateness of the Company's revenue recognition accounting policies in line with IND AS 115 ("Revenue from Contracts with Customers") and testing thereof.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Other information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Companies Act, 2013. The respective board of directors of the companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the director's of the holding company, as aforesaid.

In preparing the consolidated financial statements, the respective board of directors of the companies included in the group responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the group or to cease operations, or has no realistic alternative but to do so.

The respective board of directors of the companies included in the group are also responsible for overseeing the financial reporting process of the group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the holding company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the

direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statement and other financial information, in respect of one subsidiary, whose financial statement include total assets of ₹ 1.54 Lacs as at March 31, 2021, total revenues of ₹ Nil, total net loss after tax of ₹ 0.57 Lacs, total comprehensive loss of ₹ 0.57 Lacs, for the year ended on that date, and net cash inflows of ₹ 1.48 Lacs for the year ended on that date. These financial statement and other financial information have been audited by other auditor, which financial statement and other financial information and auditor's report have been furnished to us by the Management. Our opinion on the consolidated financial Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of the section 143 of the Act, in so far as it relates to aforesaid subsidiary is based solely on the reports of such auditor.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Companies Act, 2013, based on our audit and on the consideration of report of the other auditor on the separate financial statement and the other financial information of subsidiary, as noted in the 'other matter' paragraph we report, to the extent applicable. that:

(a) We/the other auditor whose report we have relied upon 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 of the aforesaid consolidated financial statements.

- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and report of the other auditor.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2021 and taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act. There is no company other than the Holding Company which is incorporated in India and hence reporting under this clause is not applicable to subsidiary companies.
- (f) With respect to the adequacy of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-1". There is no company other than the Holding Company which is incorporated in India and hence reporting under this clause is not applicable to subsidiary companies.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act. There is no company other than the Holding Company which is incorporated in India and hence reporting under this clause is not applicable to subsidiary companies.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and on the consideration of report of the other auditor on the separate financial statement and the other financial information of subsidiary, as noted in the 'other matter' paragraph:

- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the group, in its consolidated financial statements – Refer Note 39 to the consolidated financial statements.
- ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company. There is no company other than

the Holding Company which is incorporated in India and hence reporting under this clause is not applicable to subsidiary companies.

For **Chitresh Gupta & Associates**
Chartered Accountants
Firm Registration Number: 017079N

CA Chitresh Gupta

Partner

M. No. 098247

UDIN: 21098247AAAAUO4277

Dated: 05th June, 2021

Place: Greater Noida, U.P.

Annexure 1 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 Holding Company") as of March 31, 2021 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date. There is no company other than the Holding Company which is incorporated in India and hence reporting about adequacy and the operating effectiveness of the internal financial control over financial reporting is not applicable for company other than Holding Company.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 with reference to these consolidated financial statement 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 with reference to these consolidated financial statement 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 with reference to these consolidated financial statement and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statement, 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 consolidated 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 Holding Company's internal financial controls system over financial reporting with reference to these consolidated financial statement.

Meaning of Internal Financial Controls over Financial Reporting with reference to these consolidated financial statement

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

A company's internal financial control over financial reporting with reference to these consolidated financial statement 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 consolidated 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to these consolidated financial statement

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statement, 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 with reference to these consolidated financial statement to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statement 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 Holding Company have, in all material respects, an adequate internal financial controls system over financial reporting with reference to these consolidated financial statement and such internal financial controls over financial reporting with reference to these consolidated financial statement were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Holding 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 Number: 017079N

CA Chitresh Gupta

Partner

M. No. 098247

UDIN: 21098247AAAAUO4277

Dated: 05th June, 2021

Place: Greater Noida, U.P.

Consolidated Balance Sheet

as at 31st March 2021

₹ in Lacs

PARTICULARS	NOTE NO.	As at 31 st March, 2021
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	3	27,257.70
Capital Work-in-Progress	3	601.15
Goodwill		0.34
Intangible Assets	4	55.24
Financial Assets		
i. Trade Receivables	5	-
ii. Loans	6 (a)	-
iii. Investments	6 (b)	15.45
iv. Other Financial Assets	7	311.99
Deferred Tax Assets (Net)	8	-
Other Non-Current Assets	9	1,393.37
Total Non-Current Assets		29,635.24
Current Assets		
Inventories	10	9,261.07
Financial Assets		
i. Trade Receivables	5	14,725.64
ii. Cash and Cash Equivalents	11 (a)	741.93
iii. Bank Balances Other than Cash and Cash Equivalents	11 (b)	755.70
iv. Loans	6 (a)	31.32
v. Investments	6 (b)	-
vi. Other Financial Assets	7	475.94
Other Current Assets	9	2,128.65
Income Tax Assets (Net)	20	182.93
Total Current Assets		28,303.18
TOTAL ASSETS		57,938.42
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	12	1,969.40
Other Equity	13	17,277.48
Total Equity		19,246.88
Liabilities		
Non-Current Liabilities		
Financial Liabilities		
i. Borrowings	14	8,983.82
ii. Other Financial Liabilities	18	71.27
Deferred Tax Liabilities (Net)	8	493.04
Provisions	15	560.07
Total Non-Current Liabilities		10,108.20
Current Liabilities		
Financial Liabilities		
i. Borrowings	16	6,562.69
ii. Trade Payables	17	
- Total outstanding dues of micro and small enterprises		1,104.25
- Total outstanding dues of creditors other than micro and small enterprises		14,230.48
iii. Other Financial Liabilities	18	4,931.83
Other Current Liabilities	19	1,713.06
Provisions	15	41.03
Income Tax Liabilities (Net)	20	-
Total Current Liabilities		28,583.34
Total Liabilities		38,691.54
TOTAL EQUITIES AND LIABILITIES		57,938.42

The accompanying notes 1 to 44 form an integral part of consolidated 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

UDIN:21098247AAAAUO4277

Place: Greater Noida, U.P.

Dated: 05th June, 2021

For and on behalf of Board of Directors

PG Electroplast Ltd

(Anurag Gupta)

Chairman & Executive Director

DIN-00184361

(Sanchay Dubey)

Company Secretary

ACS No: A51305

(Vishal Gupta)

Managing Director - Finance

DIN-00184809

(Promod C Gupta)

Chief Financial Officer

Consolidated Statement of Profit and Loss

for the year ended on 31st March 2021

₹ in Lacs

PARTICULARS	NOTE	For the Year Ended 31 st March, 2021
Revenue from Operations	21	70,320.65
Other Income	22	261.98
Total Income		70,582.63
Expenses:		
Cost of Materials Consumed	23	51,831.18
Cost of Traded Goods	23.1	3,501.38
Changes in inventories of finished goods and work-in-progress	24	318.90
Employee benefits expenses	25	5,499.51
Finance costs	26	1,843.58
Depreciation and amortisation expenses	27	1,801.23
Other expenses	28	4,193.66
Total Expenses		68,989.44
Profit before exceptional items & tax		1,593.19
Exceptional Items	28	81.55
Profit before tax		1,511.64
Tax expenses:		
Current tax	29	-
Deferred tax	29	350.46
Total tax expenses		350.46
Profit for the year		1,161.18
Other comprehensive income:		
A (i) Items that will not be reclassified to profit or loss:		
Remeasurements of the defined benefit plans		52.20
(ii) Income tax relating to items that will not be reclassified to profit or loss		-
(iii) Deferred tax on above A(ii)		-
B (i) Items that may be reclassified to profit or loss		-
(ii) Income tax relating to items that may be reclassified to profit or loss		-
Other comprehensive income/(Loss) for the year		52.20
Total comprehensive income for the year		1,213.38
Profit for the year attributable to		
Equity holders of the parent company		1,161.18
Non controlling interests		-
		1,161.18
Other comprehensive income / (loss) for the year attributable to		
Equity holders of the parent company		52.20
Non controlling interests		-
		52.20
Total Comprehensive income for the year attributable to		
Equity holders of the parent company		1,213.38
Non controlling interests		-
		1,213.38
Earnings per equity share of Rupee 10.00 each attributable	30	
to equity holders of the parent company (with OCI)*		
Basic earnings per share		6.21
Diluted earnings per share		6.21
Earnings per equity share of Rupee 10.00 each attributable	30	
to equity holders of the parent company (without OCI)*		
Basic earnings per share		5.95
Diluted earnings per share		5.95

The accompanying notes 1 to 44 form an integral part of consolidated 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

UDIN:21098247AAAAUO4277

Place: Greater Noida, U.P.

Dated: 05th June, 2021

For and on behalf of Board of Directors

PG Electroplast Ltd**(Anurag Gupta)**

Chairman & Executive Director

DIN-00184361

(Sanchay Dubey)

Company Secretary

ACS No:A51305

(Vishal Gupta)

Managing Director - Finance

DIN-00184809

(Promod C Gupta)

Chief Financial Officer

Consolidated Cash Flow Statement

for the year ended on 31st March 2021

₹ in Lacs

PARTICULARS	For the Year Ended 31 st March, 2021
A CASH FLOW FROM OPERATING ACTIVITIES	
Profit before tax	1,511.64
Adjustments to reconcile profit before tax to net cash flows	
Depreciation/amortization (Includes depreciation of Right to Use)	1,801.23
Employees expenses non operating	52.20
Loss on sale of fixed assets & Assets written off	18.69
Profit on sale of fixed assets	(44.37)
Provision for Doubtful recoveries	-
Misc balances written off	62.94
Provision for doubtful debts	38.68
Provision for doubtful advance to suppliers & capital advance	30.00
Provision for slow & non moving Inventories	67.75
Loss on fixed assets due to Fire	-
Loss on Inventory due to Fire	146.94
Liabilities written back	(9.09)
Interest expense on leased liabilities	18.13
Interest expense	1,825.45
Interest income	(117.39)
Operating profit before working capital changes	5,402.79
Movements in working capital :	
Increase/(decrease) in trade Payables	4,703.29
Increase/(decrease) in Long - term provisions,financial liabilities	(161.20)
Increase/(decrease) in Short - term provisions	(19.57)
Increase/(decrease) in Other Current Liabilities	1,078.90
Increase/(decrease) in Current Liabilities & Provision	385.21
Decrease/(increase) in trade receivables	(4,651.76)
Decrease/(increase) in inventories	(803.10)
Decrease / (increase) in Long - term loans and advances	(71.45)
Decrease / (increase) in Short - term loans and advances	(0.87)
Increase/(decrease) in Other Current Assets	(272.13)
Decrease/(increase) in loans and advances	(13.29)
Cash generated from/(used in) operations	5,576.83
Direct taxes (paid)/refund	120.96
Net cash flow from/(used in) operating activities (A)	5,697.79
B CASH FLOW FROM INVESTING ACTIVITIES	
Purchase of Property Plant and equipment including CWIP & Intangible assets	(4,388.78)
Proceeds from sale of Property plant and equipment	91.07
Investments made during the year	(15.45)
Bank Deposit having maturity more than 3 months	(141.41)
Interest received	113.00
Net cash flow from/(used in) investing activities (B)	(4,341.58)
C CASH FLOW FROM FINANCING ACTIVITIES	
Proceeds from Long-term borrowings	5,687.58
Repayment of long-term borrowings	(2,076.48)
Proceeds from Equity Share Capital	410.63
Short-term borrowings (Net)	(3,828.63)
Payment of principal portion of lease liabilities	(92.73)
Payment of interest portion of lease liabilities	(18.13)
Interest paid	(1,825.45)

Consolidated Cash Flow Statement

for the year ended on 31st March 2021

₹ in Lacs

PARTICULARS	For the Year Ended 31 st March, 2021
Net cash flow from/(used in) in financing activities (C)	(1,743.21)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(387.01)
Cash and cash equivalents at the beginning of the period	1,128.94
Cash and cash equivalents at the end of the period	741.93
Components of cash and cash equivalents	
Cash on hand	4.82
With banks:	
- on current account	737.11
Total cash and cash equivalents	741.93

The accompanying notes 1 to 44 form an integral part of consolidated 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

PG Electroplast Ltd

CA Chitresh Gupta (Partner)

M. No. 098247

UDIN:21098247AAAAUO4277

(Anurag Gupta)

Chairman & Executive Director

DIN-00184361

(Vishal Gupta)

Managing Director - Finance

DIN-00184809

Place: Greater Noida, U.P.

Dated: 05th June, 2021

(Sanchay Dubey)

Company Secretary

ACS No:A51305

(Promod C Gupta)

Chief Financial Officer

Consolidated Statement Of Changes In Equity

A EQUITY SHARE CAPITAL

Equity shares of ₹ 10 each issued, subscribed and fully paid up		₹ in Lacs
As at March 31, 2020		1,952.89
changes during the year		16.51
As at March 31, 2021:		1,969.40

Kindly refer Note No 12.

B OTHER EQUITY

Particulars	Reserves and surplus			Other Comprehensive Income	Money Received against Share Warrants	Total other equity
	Capital reserve	Securities premium	Retained earnings			
Balance as at March 31, 2020	-	13,898.86	1,765.64	5.15	-	15,669.65
Profit for the year	-	-	1,161.18	-	-	1,161.18
Other comprehensive income, net of income tax	-	-	-	52.20	-	52.20
Movement during the year	-	231.00	0.33	-	163.12	394.45
Balance as at March 31, 2021	-	14,129.86	2,927.15	57.35	163.12	17,277.48

Kindly refer Note No 13.

The accompanying notes 1 to 44 form an integral part of consolidated 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

PG Electroplast Ltd

CA Chitresh Gupta (Partner)

M. No. 098247
UDIN:21098247AAAAUO4277

(Anurag Gupta)

Chairman & Executive Director
DIN-00184361

(Vishal Gupta)

Managing Director - Finance
DIN-00184809

Place: Greater Noida, U.P.

Dated: 05th June, 2021

(Sanchay Dubey)

Company Secretary
ACS No:A51305

(Promod C Gupta)

Chief Financial Officer

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

1 CORPORATE INFORMATION

The consolidated financial statements comprise financial statements of PG Electroplast Limited (“the Parent group”) and its subsidiary (collectively, “the Group”) for the year ended March 31, 2021. PG Electroplast Limited (“the Parent group”) is a public group domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its equity shares are listed with the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The registered office of the group is located at DTJ - 209, DLF Tower B, Jasola, New Delhi - 110025. The Group is an Electronic Manufacturing Services (EMS) provider for Original Equipment Manufacturers (OEMs) of consumer electronic products in India. The group manufactures and / or assemble a comprehensive range of consumer electronic components and finished products such as Kitchen Appliances, air conditioners (ACs) sub- assemblies, Air Cooler, Washing Machine, Mobile handsets, LED for third parties.

2. 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 consolidated 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 as amended by time to time] and other relevant provisions of the Act.

(ii) Historical cost convention

The consolidated 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 group 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 consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 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.

(iii) Basis of Consolidation

“The consolidated financial statements comprises the financial statement of the PG Electroplast Limited (“the Parent group”) and subsidiary (collectively “the Group) as at March 31, 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:”

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- (ii) Exposure, or rights, to variable returns from its involvement with the investee, and
- (iii) The ability to use its power over the investee to affect its returns.

“Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:”

- (i) The contractual arrangement with the other vote holders of the investee
- (ii) Rights arising from other contractual arrangements
- (iii) The Group’s voting rights and potential voting rights
- (iv) The size of the Group’s holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent group, i.e., year ended on March 31. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so or there are no significant transaction or event between the date of those financial statement and date of financial statement of parent group.

(iv) Consolidation Procedure - Subsidiary

- (i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (ii) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- (iii) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS - 12 "Income Taxes" applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the

equity holders of the parent of the Group and to the non-controlling interests, even if this results in the noncontrolling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the Group recognises the gain directly in equity as capital reserve, without routing the same through OCI."

(b) Revenue recognition

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties, in writing, to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration the group has received or expects to receive in exchange for these products or services ("transaction price"). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

(c) Government grants

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

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

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 group with no future related costs are recognised in profit & loss in the period in which they become receivable.

(d) Leases

(i) As a lessee

The group's lease asset classes primarily consist of leases for land and buildings. The group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether: (i) the contract involves the use of an identified asset (ii) the group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the group has the right to direct the use of the asset. At the date of commencement of the year, the group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the group recognizes the lease payments as an operating expense. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that

are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the group changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(ii) As a lessor

"Leases for which the group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease

(ii) Transition

The group has adopted IND AS - 116 "Leases", effective 1st April 2019 using the "Modified Retrospective Approach". Upon transition, cumulative adjustment for present value of the remaining lease payments of lease contracts existing as on the date of initial application has been recognised as a lease liability with an equivalent asset for the right to use.

(e) Foreign currency translation

(i) Functional and presentation currency

The consolidated financial statements are presented in Indian rupee (₹), which is group'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

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

denominated in foreign currencies at year end exchange rates are recognised in profit or loss in the period in which they arise.

- (iii) 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.

If, at a reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit & loss.

(g) Borrowing Costs

Borrowing 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.

Borrowing costs consists of interest & other costs that an entity incurs in connection with borrowing of funds.

(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 group’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 consolidated 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 group 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) Earnings Per Share (EPS)

Basic earnings per share is computed using the net profit / (-) loss for the year (without taking impact of OCI) attributable to the equity share holder and weighted average number of shares

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

outstanding during the year. The weighted average number of shares includes number of equity shares that are issued on conversion of warrant, convertible debentures, etc. from the date of conversion. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effect of potential diluted equity shares unless impact is anti-diluted.

(j) 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 group 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 group 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 group 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.

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 group will obtain ownership at the end of the lease term.

Depreciation is not recorded on capital work in progress until construction and installation are complete and the assets is ready for its intended use.

(k) 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 group 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;

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

- * 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.

(l) 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. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated cost necessary to make the sale.
- (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.
- (iii) The provision for inventory obsolescence is assessed regularly based on estimated usage and shelf life of inventory.

(m) Provisions, Contingent Liabilities, Commitments and Contingent assets

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that the group 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.

Where it is not probable that an outflow of resources embodying economic benefits will be required or the amount can not be estimated reliably, the obligation is disclosed as a contingent liability and commitments, unless the probability of outflow of resources embodying economic resources is remote.

Contingent assets are not recognized but disclosed in the consolidated financial statements when an inflow of economic benefits is probable.

(n) 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.

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

(iii) Post-employment obligations

The group operates the following post employment schemes:

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

Defined benefit plans

The group 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 group.

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 group pays fixed contributions to separate entities (funds) or financial institutions or state managed benefit schemes. The group 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 group 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 group makes prescribed monthly contributions towards Employees' State Insurance Scheme.

* Leave Encashment

The group has recognised liability for short term compensated absences on full cost basis with reference to unavailed earned leaves at the year end. To the extent, the compensated absences qualify as a long term benefit, the group has provided for the long term liability at year end as per the actuarial valuation using the Projected Unit Credit Method. Actuarial gains and losses arising from adjustments and changes in actuarial assumptions are charged or credited to the Statement of profit and loss in the year in which such gains or losses arise.

(o) 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 group 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.

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

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

The application of simplified approach does not require the group 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 group 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 current 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 group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition as per Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the group'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 group determines classification of financial assets and liabilities on initial recognition. After

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

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 group's senior management determines change in the business model as a result of external or internal changes which are significant to the group's operations. Such changes are evident to external parties. A change in the business model occurs when the group either begins or ceases to perform an activity that is significant to its operations. If the group 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 group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

* **Investment in subsidiaries, joint venture and associates**

Investment in equity shares of subsidiaries, joint venture and associates is carried at cost in the financial statements.

(p) 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 group 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 group 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.

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

Particulars	Property, Plant and Equipments										Capital Work in Progress	
	Leasehold Land	Buildings, Lease hold Improvement	Plant and Equipments	Electric installation	Furniture and Fixtures	Vehicles	Office equipment	Total				
Year ended 31st March 2021												
Gross carrying amount												
Opening gross carrying amount	591.98	9,077.74	18,904.66	615.07	417.58	620.83	159.17	30,387.03	548.79			
Additions	-	1,224.77	2,202.02	159.82	99.71	57.89	102.47	3,846.68	3,257.58			
Disposals	-	(93.00)	(176.43)	(43.55)	(4.84)	(4.05)	(44.74)	(366.61)	(3,205.22)			
Closing gross carrying amount	591.98	10,209.51	20,930.25	731.34	512.45	674.67	216.90	33,867.10	601.15			
Accumulated depreciation												
Opening accumulated depreciation	30.41	908.27	3,455.04	246.06	95.28	230.19	100.39	5,065.63	-			
Depreciation charge during the year	8.28	419.59	1,120.21	70.94	44.85	86.36	30.09	1,780.32	-			
Disposals	-	(56.00)	(88.53)	(41.13)	(4.60)	(3.84)	(42.45)	(236.55)	-			
Closing accumulated depreciation	38.69	1,271.86	4,486.72	275.87	135.53	312.71	88.03	6,609.40	-			
Net carrying amount	553.29	8,937.65	16,443.53	455.47	376.92	361.96	128.87	27,257.70	601.15			

Notes:

i. Leasehold Land

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

Plot no	Period of Lease	Balance Period of Lease as on March 31, 2021
P-4/2 to 4/6 at Unit-I	90 years	73 years
E-14, E-15 at Unit-III	83 years	73 years
F-20 at Unit-III	59 years	56 years
I-26, I-27 at Unit-V	64 years	60 years
A-20/2 at Supa, Unit IV	85 Years	81 years
C-11 at Unit-IV	76 years	73 years

These leases of lands have been classified as finance lease in terms of criteria specified in Ind AS 116 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.

(ii) Restrictions on Property, plant and equipment

Refer note no. 14 & 16 for information on charges created on property, plant and equipment.

(iii) Contractual commitments

Refer note no. 38 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(iv) Following is carrying value of right-to-use assets (included in buildings) recognised and the movements thereof during the year:

Particulars	FY 2020-21
Right-to-use assets at the beginning	211.94
Addition/Deletion during the year (Net)	30.16
Depreciation on Right-to-use assets during the year	107.49
Balance at the closing	134.61

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

4. INTANGIBLE ASSETS

₹ in Lacs

Particulars	Computer Softwares	Product Development	Total
Year ended 31st March 2021			
Gross carrying amount			
Opening gross carrying amount	75.07	55.19	130.26
Additions	24.26	-	24.26
Closing gross carrying amount	99.33	55.19	154.52
Accumulated amortisation			
Opening accumulated amortisation	33.20	40.17	73.37
Amortisation charge for the year	10.89	10.03	20.91
Impairment loss recognised during the year	-	4.99	4.99
Closing accumulated amortisation	44.09	55.19	99.27
Closing net carrying amount	55.24	-	55.24

5. TRADE RECEIVABLES

₹ in Lacs

Current	31 st March, 2021
Trade receivables (at amortised cost)	
Unsecured, considered good	14,725.64
Doubtful	211.79
Less: Allowance for bad and doubtful debts	(211.79)
Total trade receivables	14,725.64

Reconciliation of allowance on trade receivables:

₹ in Lacs

PARTICULARS	31 st March, 2021
Balance at beginning of the year	231.64
Additional provisions recognised	38.68
Written off as bad debts during the year	(58.53)
Balance at the end of the year	211.79

6 (a). LOANS

₹ in Lacs

Current	31 st March, 2021
Loan to employees (at amortised cost)	
- Unsecured, Considered Good	31.32
	31.32

6 (b). INVESTMENTS

₹ in Lacs

PARTICULARS	31 st March, 2021
Quoted	
At fair value through profit & loss	
Investment in mutual funds*	15.45
	15.45

*Investments in mutual funds, which are classified as FVTPL are measured using net assets value at the reporting date multiplied by the quantity held.

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

6 (b). INVESTMENTS

₹ in Lacs

PARTICULARS	31 st March, 2021
Current	
Investment in mutual funds	-
Investment In Equity Shares Of Subsidiary	-
At amortised cost	-

7. OTHER FINANCIAL ASSETS

₹ in Lacs

Non-Current	31 st March, 2021
At amortised cost	
Unsecured, considered good	
Security deposits	261.51
Fixed Deposits With Bank (remaining maturity more than 12 months from reporting date)	-
Earmarked balances with banks (remaining maturity more than 12 months from reporting date)	50.48
Total other financial assets at amortised cost	311.99

₹ in Lacs

Current	31 st March, 2021
At amortised cost	
Unsecured, considered good	
Security deposits	21.46
Fixed Deposits With Bank (remaining maturity within 12 months from reporting date)	243.42
Interest accrued on bank deposits	23.69
Interest accrued - Others	6.60
Others	180.77
Total other financial assets at amortised cost	475.94

8. DEFERRED TAX BALANCES

₹ in Lacs

Non-Current	31 st March, 2021
Net Deferred Tax Assets/(Liabilities)	(493.04)
Total	(493.04)

(i) Movement in deferred tax balances

Particulars	For the year ended 31 st March 2021			
	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	195.55	(10.20)	-	185.35
- Carry forward losses and unabsorbed depreciation	1,576.86	(154.19)	-	1,422.67
- MAT Credit Carried Forward	-	-	-	-
- Impairment provisions of financial/other assets made in books, but tax deductible only on actual write-off	125.36	(25.66)	-	99.70
- Difference in carrying values of property, plant & equipment and intangible assets	(2,040.35)	(160.41)	-	(2,200.76)
Net deferred tax assets/(liabilities)	(142.58)	(350.46)	-	(493.04)

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

9. OTHER ASSETS

₹ in Lacs

PARTICULARS	31 st March, 2021
Non-Current	
Unsecured, considered good	
Capital advances	1,326.45
Prepaid expenses	66.92
Unsecured, considered doubtful	
Capital Advances	-
Less: Provision for doubtful Capital Advances	-
Total	1,393.37

Reconciliation of Provision for doubtful Capital Advances

₹ in Lacs

PARTICULARS	31 st March, 2021
Balance at beginning of the year	13.77
Additional provisions recognised	-
Written off as bad debts during the year	(13.77)
Balance at the end of the year	-
Current	
Unsecured, considered good	
Advances to suppliers	1,023.29
Advances for expenses	39.19
Balances with Government Authorities	898.86
Prepaid expenses	166.03
Imprest to employees	1.28
Unsecured, considered doubtful	
Advance to suppliers	184.32
Less: Provision for doubtful advance to suppliers	(184.32)
	2,128.65
TOTAL OTHER ASSETS	3,522.02

Reconciliation of Provision for doubtful advance to suppliers

₹ in Lacs

PARTICULARS	31 st March, 2021
Balance at beginning of the year	252.68
Additional provisions recognised	30.00
Written off as bad debts during the year	(98.36)
Balance at the end of the year	184.32

10. INVENTORIES

₹ in Lacs

PARTICULARS	31 st March, 2021
Raw materials & components [includes stock in transit of ₹ 329.44 lacs]	6,704.16
Work-in-progress	1,542.57
Finished goods	1,040.21
Stores and spares	41.88
Less:- Provision for Slow/Non Moving Inventories	(67.75)
Total inventories	9,261.07

Reconciliation of Provision for Slow/Non Moving Inventories

₹ in Lacs

PARTICULARS	31 st March, 2021
Balance at beginning of the year	-
Additional provisions recognised	67.75
Written off during during the year	-
Balance at the end of the year	67.75

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

10. INVENTORIES (Contd..)

- (i) The mode of valuation of inventories has been stated in note no. 2(l).
- (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 on entire stock including raw material, work in progress, finished goods, stock in transit and other stores & spare parts of unit-1, 2 & 3 by State Bank of India and Unit 4 & 5 by HDFC Bank respectively.

11. CASH AND BANK BALANCES

(a) Cash and cash equivalents

		₹ in Lacs
PARTICULARS		31 st March, 2021
At amortised cost		
Balances with banks		
- In current accounts		737.11
Cash on hand		4.82
Total cash and cash equivalents		741.93

(b) Bank balances other than cash and cash equivalents

		₹ in Lacs
PARTICULARS		31 st March, 2021
At amortised cost		
Earmarked balances with banks (remaining maturity within 12 months from reporting date)		755.70
Total bank balances other than cash and cash equivalents		755.70

12. SHARE CAPITAL

		₹ in Lacs
PARTICULARS		31 st March, 2021
Authorised		
3,50,00,000 equity shares [Par value of ₹10 per share]		3,500.00
		3,500.00
Issued, Subscribed and Fully Paid Up:		
1,96,93,916 equity shares [Par value of ₹10 per share]		1,969.40
		1,969.40

(i) Movements in equity share capital

PARTICULARS	Number of shares	Amount in ₹
As at 31st March 2020	1,95,28,916	1,952.89
Movement during the year *	1,65,000	16.51
As at 31st March 2021	1,96,93,916	1,969.40

Terms and rights attached to equity shares

The Group 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 group, the equity shareholders are eligible to receive the remaining assets of the group after distribution of all preferential amounts, in proportion to their shareholding.

*During the year 2020-21, the group had allotted 1,65,000 equity shares of Face value of ₹10 on conversion of warrants allotted to promoters & non-promoters on private placement basis to Mr. Anurag Gupta, Mr. Vishal Gupta, Mr. Vikas Gupta and Mr. Arvind Yeshwant Pradhan.

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

12. SHARE CAPITAL (Contd..)

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

₹ in Lacs

PARTICULARS	As at 31 st March, 2021	
	Number of shares	% Holding
Mr. Anurag Gupta	24,61,201	12.50%
Mr. Vishal Gupta	28,51,991	14.48%
Mr. Vikas Gupta	28,47,701	14.46%
Mrs Sudesh Gupta	47,60,313	24.17%

13. OTHER EQUITY

₹ in Lacs

PARTICULARS	31 st March, 2021
Securities premium	14,129.86
Retained earnings	2,927.15
Other comprehensive income	57.35
Money received against share warrants*	163.12
	17,277.48

*During the year 2020-21, group has allotted 6,00,000 convertible warrant at the issue price of ₹150/- each to promoters & non-promoters on private placement basis to Mr. Anurag Gupta, Mr. Vishal Gupta, Mr. Vikas Gupta and Mr. Arvind Yeshwant Pradhan. Out of which 1,65,000 warrant have been converted into equity shares of face value of ₹ 10/- each (share premium ₹140/- each) as on 31.03.2021. Remaining 4,35,000 warrants are pending for conversion with application money of ₹163.13 lacs (₹ 4.35 lacs*150*25%).

(i) Securities premium

₹ in Lacs

PARTICULARS	31 st March, 2021
Opening balance	13,898.86
Movement during the year*	231.00
Closing balance	14,129.86

Securities premium is used to record the premium on issue of shares. The securities premium is utilised in accordance with the provisions of the group Act 2013.

*During the year 2020-21, group had allotted 1,65,000 equity shares on private placement basis @ ₹150/- per equity shares including share premium of ₹140/- per equity share to Mr. Anurag Gupta, Mr. Vishal Gupta, Mr. Vikas Gupta and Mr. Arvind Yeshwant Pradhan pursuant to conversion of warrants issued on private placement basis to the promoters & non-promoters.

(ii) Retained earnings

₹ in Lacs

PARTICULARS	31 st March, 2021
Opening balance	1,765.64
Net profit for the year	1,161.18
Transaction on account of acquisition of interest in subsidiary	0.33
Closing balance	2,927.15

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

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

(iii) Other comprehensive income

₹ in Lacs

PARTICULARS	31 st March, 2021
Opening balance	5.15
Other comprehensive income for the year (Net)	52.20
Closing Balance	57.35

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

13. OTHER EQUITY

(iv) Money received against share warrants

₹ in Lacs

PARTICULARS	31 st March, 2021
Opening balance	-
Movement during the year*	163.12
Closing balance	163.12

Reconciliation of Movement in Money received against share warrants

₹ in Lacs

PARTICULARS	31 st March, 2021
Balance at beginning of the year	-
Received during the year against warrants	410.63
Converted into Equity Shares during the year	247.51
Balance at the end of the year	163.12

*During the year 2020-21, group has allotted 6,00,000 convertible warrant at the issue price of ₹150/- each to promoters & non-promoters on private placement basis to Mr. Anurag Gupta, Mr. Vishal Gupta, Mr. Vikas Gupta and Mr. Arvind Yeshwant Pradhan. Out of which 1,65,000 warrant have been converted into equity shares of face value of ₹10/- each (share premium ₹140/- each) as on 31.03.2021. Remaining 4,35,000 warrants are pending for conversion with application money of ₹163.13 lacs (₹ 4.35 lacs*150*25%).

14. NON-CURRENT BORROWINGS

₹ in Lacs

PARTICULARS	31 st March, 2021
Secured- at amortised cost	
Term loans	
- From banks	
- Term Loan from SBI*	279.00
- Term Loan from SBI**	1,369.99
- Term Loan from SBI***	1,424.81
- Term Loan from SBI (GECL-2)****	884.00
- Term Loan from HDFC Bank	3,399.66
- Term Loan from HDFC Bank- Moratorium Loan Covid -19 of existing loans	72.82
- Term Loan from HDFC Bank (TI-5, Covid -19)	750.00
- Term Loan from HDFC Bank (ECGLC-02)	2,000.00
- Vehicle Loan from various Banks	139.70
- From Others	
- Term Loan from Aditya Birla Finance Ltd.	-
- Term Loan from Tata Capital Financial Services Limited	330.23
- Interest Free Loan from Uttar Pradesh Financial Corporation Ltd	408.14
- Deferred Interest Free Loan from Uttar Pradesh Financial Corporation Ltd	275.00
- Vehicle loan from Sundaram Finance Limited	11.35
Unsecured- at amortised cost	
Unsecured loans from directors	-
Deferred Payment against P&M	697.73
	12,042.43
Less: Amount disclosed under the head "Other financial liabilities current" (refer note 18)	3,058.61
Total non-current borrowings	8,983.82

₹ in Lacs

Amount disclosed under the head "Other financial liabilities current"	31 st March, 2021
- From banks	
- Term Loan from SBI*	240.00
- Term Loan from SBI**	300.00
- Term Loan from SBI***	216.00
- Term Loan from SBI (Moratorium Loan Covid-19)	-
- Term Loan from SBI (GECL-2)	55.25
- Term Loan from HDFC Bank	809.19
- Term Loan from HDFC Bank (Moratorium Loan Covid -19 of existing loans)	-
- Term Loan from HDFC Bank (TI-5, Covid -19)	750.00

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

14. NON-CURRENT BORROWINGS (Contd..)

Amount disclosed under the head "Other financial liabilities current"	₹ in Lacs 31 st March, 2021
- Term Loan from HDFC Bank (ECGLC-02)	83.33
- Vehicle Loan from various Banks	67.63
- From Others	
- Term Loan from Aditya Birla Finance Ltd.	-
- Term Loan from Tata Capital Financial Services Limited	71.64
- Vehicle loan from Sundaram Finance Limited	11.35
Unsecured- at amortised cost	
Unsecured loans from directors	-
Deferred Payment against P&M	454.22
	3,058.61

14.1 Term Loan from State Bank of India

- a.(i) *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 & Personal guarantee of promoter directors i.e 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, factory land situated at P-4/6 and F-20, Site-B, UPSIDC Industrial Area, Surajpur, Greater Noida of the group & Personal guarantee of promoter directors i.e 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 & building situated at Khasra no 268 & 275, Raipur, Bhagwanpur, Roorkee, P-4/2 to 4/6 and E-14 & E-15, Site-B, UPSIDC Industrial Area, Surajpur, Greater Noida of the group & Personal guarantee of promoter directors i.e Mr. Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta;
- a.(iv) **** GECL-2 term loantaken from SBI is collateral free Guaranteed Emergency Credit Line (GECL), which is fully guaranteed by NCGTC
- b. Collateral Security:- Factory Land and Building situated at Plot no- P-4/2 - 4/5, Plot No E-14 & E-15, Site-B, UPSIDC Industrial Area, Surajpur, Greater Noida of group and Building situated at Khasra No 268 & 275, Village Raipur, Roorkee, Haridwar, Uttarakhand, and factory land which is in the name of M/s PG Electronics and Mr. Vishal Gupta;
- c. Corporate Guarantee of PG Electronics (Partnership Firm)
- d. *Outstanding Term loan as on 31 March 2021 is ₹279.00 lacs as on reporting date is repayable on monthly instalments of ₹ 20.00 lacs from April 2021 till April 2022 & balance amount of ₹ 19.00 lacs in the month of May 2022.
- e. **Outstanding Term loan as on 31 March 2021 is ₹1369.99 lacs as on reporting date is repayable on monthly instalments of ₹20.00 lacs from April 2021 to Sept 2021, monthly instalment of ₹30.00 lacs from Oct 2021 to Sept 2022, monthly instalment of ₹35.00 lacs from Oct 2022 to Sept 2023, monthly instalment of ₹40.00 lacs from Oct 2023 till Aug 2024 and balance amount of ₹29.99 lacs in Sept 2024.
- f. ***Outstanding Term loan as on 31st March 2021 is ₹ 1424.81 lacs as on reporting date is repayable on monthly instalments of ₹18.00 lacs from April 2021 to Oct 2027, balance amount of ₹ 2.81 lacs in Nov 2027.
- g. **** Outstanding amount of GECL-02 term loan as on 31.03.2021 of ₹ 884.00 lacs as on reporting date is repayable on monthly installments of ₹ 18.42 lacs from Jan 2022 to Dec 2025.

14.2 Term Loan from HDFC Bank Limited

- "a. Term loans of ₹1000 lacs from HDFC Bank Limited is secured by way of exclusive charge over land, Building, at I-26 & I-27, Site-C, UPSIDC Industrial Area, Surajpur Greater Noida, U.P. (Unit 5). Term loan are also secured by way of exclusive charge on plant and machinery situated at Unit 5 of Greater Noida and specific plant & machinery generated out of the term loan, situated at Unit 4 of Ahemednagar, Maharashtra. Personal Guarantee are also given by promoter directors i.e. Mr.Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta;
- a.i) Outstanding term loan as on 31 March 2021 is ₹ 246.22 lacs repayable in monthly instalments of ₹ 18.36 lacs from April 2021 till March 2022 and balance amount of ₹ 25.90 lacs in April 2022.
- a.ii) Monthly Interest is being charged at the end of the month.

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

14. NON-CURRENT BORROWINGS (Contd..)

- b. Term loans of ₹1500 lacs from HDFC Bank Limited is secured by way of exclusive charge over land, Building, at A-20/2. MIDC Supa, District-Ahmednagar Maharashtra (Unit 4). Term loan are also secured by way of exclusive charge on specific plant & machinery generated out of the term loan, situated at Unit 4 of Ahmednagar, Maharashtra. Personal Guarantee are also given by promoter directors i.e. Mr. Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta;
- b.i) Outstanding term loan as on 31 March 2021 is ₹1128.18 lacs repayable in monthly instalments ₹20.35 lacs- from April-21 to Dec-24 and ₹30.52 lacs from Jan-25 to May 25 and balance amount of ₹ 59.89 lacs in June 25.
- b.ii) Monthly Interest is being charged the end of the month.
- c. Term loans of ₹900.00 lacs from HDFC Bank Limited against property taken over from Religare Finvest Limited is secured by way of exclusive charge over land, Building, at A-20/2. MIDC Supa, District- AHMEDNAGAR Maharashtra (Unit 4). Term loan are also secured by way of exclusive charge on specific plant & machinery generated out of the term loan, situated at Unit 4 of Ahmednagar, Maharashtra. Personal Guarantee are also given by promoter directors i.e. Mr. Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta;
- c.i) Outstanding term loan as on 31 March 2021 is ₹ 624.62 lacs repayable in monthly instalments from April 2021 till Nov.2027.
- c.ii) Monthly Interest is being charged end of the each month.
- d. Term loans of ₹1500 lacs from HDFC Bank Limited is secured by way of exclusive charge over land, Building, at A-20/2, MIDC Supa, District-Ahmednagar Maharashtra (Unit 4) & at I-26 & I-27 at Site-C, UPSIDC, Surajpur Industrial Area, UP(Unit-5) .Term loan are also secured by way of exclusive charge on specific plant & machinery generated out of the term loan, situated at Unit 4 of Ahmednagar, Maharashtra & Unit-5 at Greater Noida UP. Personal Guarantee are also given by promoter directors i.e. Mr. Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta;
- d.i) Outstanding term loan as on 31 March 2021 is ₹1350.65 lacs repayable in monthly instalments ₹20.55 lacs from April 2021 to June-2026 and balance amount of ₹ 56.13 lacs in July 2026.
- d.ii) Monthly Interest is being charged at the end of the each month.
- e. Term loans of ₹1000 lacs from HDFC Bank Limited is secured by way of exclusive charge over land, Building, at A-20/2, MIDC Supa, District-Ahmednagar Maharashtra (Unit 4) & at I-26 & I-27 at Site-C, UPSIDC, Surajpur Industrial Area, UP(Unit-5) .Term loan are also secured by way of exclusive charge on specific plant & machinery generated out of the term loan, situated at Unit 4 of Ahmednagar, Maharashtra & Unit-5 at Greater Noida UP and hypothecation of entire current assets present and future on the group's Unit 4 and Unit 5. Personal Guarantee are also given by promoter directors i.e. Mr. Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta;
- e.i) Outstanding term loan as on 31 March 2021 is ₹ 750.00 lacs repayable in monthly instalments ₹ 83.33 lacs from April 2021 to Dec 2021.
- e.ii) Monthly Interest is being charged at the end of the each month.
- f. Term loans ECGLC-02 of ₹2000 lacs from HDFC Bank Limited is secured by extension of second ranking charge over existing primary and collateral securities including mortgages created in favour of the Bank.
- Personal Guarantee are also given by promoter directors i.e. Mr. Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta;
- f.i) Outstanding term loan as on 31 March 2021 is ₹ 2000.00 lacs repayable in monthly instalments ₹33.33 lacs from Feb 2022 to Jan 2026.
- f.ii) Monthly Interest is being charged at the end of the each month.
- g. Term loan from HDFC Bank -Mortgage Loan Covid -19 of deferment of existing term loans & interest amount was granted as per Covid -19 Pandemic Relief by RBI.
- g.i) outstanding term loan as on 31 March 2021 of ₹ 72.82 lacs repayable in Month of April 22, June 25, July 26 & Nov 27.
- g.ii) Monthly Interest is being charged at the end of the each month.

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

14. NON-CURRENT BORROWINGS (Contd..)

14.3 Loan against Property (LAP) from Aditya Birla Finance Limited (ABFL)

“LAP 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. Anurag Gupta, Mr. Vishal Gupta & Mr. Vikas Gupta .
- d. During reporting period,LAP was fully repaid & charge has been fully satisfied.

14.4 Interest free term Loan (IFTL) from Uttar Pradesh Financial Corporation (UPFC)

Loan from UPFC was granted for general purpose of business requirement is secured by;

- a. Primary Security: Bank Guarantee of 100% value of loan was issued by State bank of india, Noida in favour of lender for entire period of 7 years plus 6 months delay period interest @ 15% p.a.,In case of non payment on due date ;”
- b. Guaranteed by promoter directors i.e. Mr. Anurag Gupta, Mr. Vishal Gupta & Mr. Vikas Gupta.
- c. Outstanding term loan as on 31 March 2021 is ₹683.14 lacs repayable after 7 years from disbursement date without any interest.

14.5 Term Loan from Tata Capital Financial Services Limited (TCFSL)

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

- a. Primary Security: Machineries purchased from the term loan & One month EMI of ₹ 8.56 lacs was deposited with TCFSL are interest free & will be adjstuted in last EMI due in Feb 2025;
- b. Guaranteed by promoter directors i.e. Mr. Anurag Gupta, Mr. Vishal Gupta & Mr. Vikas Gupta .
- c. Outstanding term loan as on 31 March 2021 is ₹ 330.23 lacs repayable in monthly installments from April 2021 till Feb 2025 along with interest.

14.6 Unsecured loans from directors of ₹Nil (previous year ₹141.90 lacs) was given by directors on long term basis and are interest free.

14.7 Deferred payment against plant & machinery represents

- a. Outstanding amount of ₹Nil is repayable in Nil installments for indegenious plant & machineries purchased from Haitian Huayuan Machinery India Pvt Ltd.
- b. Outstanding amount of ₹96.40 lacs equivalent to USD 1.30 lacs is repayable in 6 monthly installments in respect of imported plant & machineries purchased on credit without interest.
- c. Outstanding amount of ₹48.59 lacs equivalent to USD .66 lacs is repayable in 10 monthly installments each of USD .06566 lacs in respect of imported plant & machineries purchased on credit without interest.
- d. Outstanding amount of ₹393.12 lacs is repayable in 24 monthly installments from April 2021 to March 23 for indegenious plant & machineries purchased from Haitian Huayuan Machinery India Pvt Ltd.
- e. Outstanding amount of ₹159.62 lacs equivalent to USD 2.16 lacs is repayable in 17 monthly installments each of USD 12888.25 in respect of imported plant & machineries purchased on credit without interest.

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

14. NON-CURRENT BORROWINGS (Contd..)

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

₹ in Lacs

Name of the Bank/Others	31 st March, 2021		
	ROI- PA	Loan Outstanding	Repayment Terms
1. HDFC Bank Ltd.	8.30 % to 10.51%	3.00	In EMIs ranging from 5 to 10 months -2 Nos loan accounts
2. ICICI Bank Ltd.	9.11 % to 9.80%	19.95	In EMIs ranging from 09 to 14 months- 3 Nos loan accounts
3. Axis bank	8.95 % to 9.05%	107.56	In EMIs ranging from 20 to 45 months- 4 nos loan accounts
4. Yes bank	9.24%	9.19	In EMIs of 20 months
5. Sundram Finance Limited	"9.25 % to 11.00 %"	11.35	In EMIs of 12 months- 4 nos loan accounts
Total- Vehicle Loans		151.05	

15. PROVISIONS

₹ in Lacs

PARTICULARS	As at 31 st March, 2021
Non-Current	
Provision for employee benefits	
Gratuity (refer note 32)	269.99
Compensated absences (refer note 32)	290.08
Total	560.07
Current	
Provision for employee benefits	
Gratuity (refer note 32)	20.81
Compensated absences (refer note 32)	20.22
Total	41.03

16. CURRENT BORROWINGS

₹ in Lacs

PARTICULARS	As at 31 st March, 2021
Secured- at amortised cost	
Repayable on demand	
- Cash Credit Limit from State Bank of India	1,745.52
- Demand loan covid-19 from State Bank of India	0.01
- Cash Credit Limit from HDFC	239.95
- WCDL from HDFC Bank	1,000.00
- Overdraft from State Bank of India	19.06
	3,004.54
Unsecured- at amortised cost	
Bill discounting from banks	
- From HDFC Bank	3,558.15
	3,558.15
Total current borrowings	6,562.69

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

16. CURRENT BORROWINGS (Contd..)

A. Cash Credit Limit and Non-Fund Based Limit from State Bank of India

- I. CC Limits and Non-fund based limit & Demand loan Covid-19 from State Bank of India are secured by way of hypothecation of entire current assets including raw material, work-in-progress, finished goods, Book debts, advance payments, stock in transit, other current assets, cash margins of Unit 1, 2 & 3 of the group;
- II. Collateral Security : Factory Land and Building situated at Plot no- P-4/2 - 4/6 and Plot No E-14 & E-15, Site-B, UPSIDC Industrial Area, Surajpur, Greater Noida of group and Building situated at Khasra No 268 & 275, Village Raipur, Roorkee, Haridwar, Uttarakhand, factory land which is in the name of M/s PG Electronics and Mr. Vishal Gupta;
- III. Personal and Corporate Guarantee: Secured by Personal Guarantee of promoter directors i.e. Mr.Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta and Corporate Guarantee of M/s PG Electronics.
- IV. Factory land and building of Plot no F-20, Site, B, UPSIDC Industrial Area, Surajpur, Greater Noida, District Gautam Budh Nagar is the prime security.
- V. All fixed assets except land & building and specified machinery charged under term loans of Unit-1, 2 & 3.

B. Cash Credit Limit, WCDL and Non-Fund Based Limit from HDFC Bank Limited

- I. CC Limits, WCDL and Non-fund based limit from HDFC Bank Limited are secured by way of hypothecation of entire current assets present and future of Unit 4 & 5 of the group; WCDL(sub-Limit of CC limits) was given for 90 days only and to be renewed thereafter.
- II. Collateral Security : Factory Land and Building situated at I-26 & 27, Site C, UPSIDC Industrial Area, Surajpur, Greater Noida, U.P (Unit-5) and A-20/2, MIDC Supa, District- Ahmednagar Maharashtra (Unit-4) of group;
- III. Personal and third party Guarantee: Secured by Personal Guarantee of promoter directors i.e. Mr.Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta.

C. Overdraft Limit from State Bank of India

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

D. Bill Discounting Limits from HDFC Bank

- I. Bill discounting limit from HDFC Bank are secured by personal guarantee of promoter directors i.e Mr. Anurag Gupta, Mr. Vishal Gupta & Mr. Vikas Gupta & Cash margin of ₹ 2 Cr. were deposited with bank in the form of FDR.
- II. Collateral Security : Factory Land and Building situated at I-26 & 27, Site C, UPSIDC Industrial Area, Surajpur, Greater Noida, U.P (Unit-5) and A-20/2. MIDC Supa, District- Ahmednagar Maharashtra (Unit-4) of group are given for ₹ 40 Cr. sub-limit out of Bill discounting limit for cash limits.

17. TRADE PAYABLES

PARTICULARS	₹ in Lacs 31 st March, 2021
Trade payables (at amortised cost)	12,142.27
Acceptances:	
Letter of Credit from State Bank of India & HDFC Bank*	2,178.76
Foreign letter of credit from State Bank of India & HDFC Bank*	1,013.70
Total	15,334.73
*Refer Note No. 16.	
Trade payables (at amortised cost)	
- Total outstanding dues of micro and small enterprises (refer note 40)	1,104.25
- Total outstanding dues of creditors other than micro and small enterprises	14,230.48
Total trade payables	15,334.73

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

18. OTHER FINANCIAL LIABILITIES

₹ in Lacs

PARTICULARS	31 st March, 2021
Non-Current	
At amortised cost	
Lease Liabilities	53.96
Security deposits	17.31
Total other financial liabilities	71.27
Current	
At amortised cost	
Current maturities of long-term borrowings (refer note no. 14)	3,058.61
Interest accrued and due on borrowings	79.83
Capital creditors	274.48
Expenses creditors	1,155.12
Employee benefits & other dues payable	264.48
Lease Liabilities	98.74
Advance for security Deposit	0.57
Total other financial liabilities	4,931.83

19. OTHER CURRENT LIABILITIES

₹ in Lacs

PARTICULARS	31 st March, 2021
Advance from customers	109.41
Expenses Payable	136.66
Statutory remittances	
- TDS payable	51.53
- TCS payable	9.32
- ESI Payable	3.39
- PF payable	36.97
- Ex-gratia Payable	45.18
- Bonus payable	135.39
- GST payable	1,173.73
- Professional tax payable	0.50
Others	10.98
Total other current liabilities	1,713.06

20. INCOME TAX BALANCES

₹ in Lacs

PARTICULARS	31 st March, 2021
Income Tax Assets (Net)	
Income Tax Refund due for earlier years	32.81
TDS/TCS/Advance Tax -Refund due	150.12
Income tax Assets (Net)	182.93
Income Tax Liabilities (Net)	
Provision for income tax	-
Provision on other comprehensive income (OCI)	-
Total Income tax Liabilities (Net)	-

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

21. REVENUE FROM OPERATIONS

₹ in Lacs

PARTICULARS	For the Year Ended 31 st March, 2021
Sale of products	
Finished goods	66,315.57
Traded goods	3,609.67
Sale of services	
Job Work Charges	137.06
Repair of Moulds	35.20
Other operating revenue	
Sale of scrap	223.15
	70,320.65

Note:-

The group collects GST on behalf of the Government. Hence, GST is not included in Revenue from operations.

22. OTHER INCOME

22.1 Interest income

₹ in Lacs

PARTICULARS	31 st March, 2021
Interest income from bank deposits	58.95
Interest income from financial liabilities at amortised cost	-
Interest income from others	58.44
	117.39

22.2 Other non-operating income

₹ in Lacs

PARTICULARS	31 st March, 2021
Rental income	74.76
PSI Incentive 2007 from MIDC	-
Miscellaneous income	0.01
	74.77

22.3 Other gains

₹ in Lacs

PARTICULARS	31 st March, 2021
Profit on sale of fixed assets	44.37
Credit balances written back	9.10
Gain on lease termination	3.62
Profit on Recognition of Investment through FVTPL	1.45
Rent concession on lease	8.03
Others	3.25
	69.82
	261.98

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

23. COST OF MATERIAL CONSUMED

₹ in Lacs

PARTICULARS	31 st March, 2021
Stock at the beginning of the year	5,406.60
Add: Purchases	56,390.69
Less: Discount received from suppliers	(90.01)
Less: Cost of goods traded	(3,501.38)
Less: Stock loss due to Fire	-
Less: Stock at the end of the year	(6,374.72)
	51,831.18

23.1 COST OF GOODS TRADED

₹ in Lacs

PARTICULARS	31 st March, 2021
Cost of Goods traded	3,501.38
	3,501.38

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

₹ in Lacs

PARTICULARS	31 st March, 2021
Inventories at the beginning of the year:	
Work-in progress	1,976.06
Finished goods	925.62
Total inventories at the beginning of the year	2,901.68
Inventories at the end of the year:	
Work-in progress	1,542.57
Finished goods	1,040.21
Total inventories at the end of the year	2,582.78
Add/(Less): Stock Losses due to Fire	-
Total changes in inventories of finished goods and work-in-progress	318.90

25. EMPLOYEE BENEFIT EXPENSES

₹ in Lacs

PARTICULARS	31 st March, 2021
Salaries and wages	4,904.88
Contribution to provident and other funds (refer note no. 32)	204.33
Leave encashment (refer note no. 32)	62.57
Gratuity expense (refer note no. 32)	102.35
Other employee benefits	225.38
	5,499.51

26. FINANCE COST

₹ in Lacs

PARTICULARS	31 st March, 2021
Interest costs:	
Interest on borrowings	
- Interest to Bank	988.41
- Interest to Other	44.54
- Interest On Car Loan	14.91
- Other interest expense	91.51
Other borrowing costs	
Discounting Charges, Processing fee	704.21
	1,843.58

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

27. DEPRECIATION AND AMORTIZATION EXPENSES

₹ in Lacs

PARTICULARS	31 st March, 2021
Depreciation of property, plant and equipment (refer note no. 3)	1,780.32
Amortisation of intangible assets (refer note no. 4)	20.91
	1,801.23

28. OTHER EXPENSES

₹ in Lacs

PARTICULARS	31 st March, 2021
Stores, spares and tools consumed	293.96
Power and fuel	1,612.72
Sub-contracting expenses	368.18
Freight and forwarding charges	394.73
Rent*	85.53
Rates and taxes	77.46
Insurance	133.06
Repairs and maintenance:	
Machinery	275.03
Building	154.03
Others	54.14
Travelling and conveyance	42.46
Vehicle running & maintenance	110.16
Communication costs	14.52
Printing and stationery	16.42
Security expenses	142.92
Legal and professional fees	74.63
Provision for doubtful debts & advances (Net)	68.68
Provision for Slow/Non moving inventories	67.75
Written off of Bad Debts	170.65
Reversal of provision for doubtful debts & advances	(170.65)
Payment to auditor (Refer details below Note-28.1)	15.10
Payment to cost auditor	3.00
Directors sitting fees	7.80
Loss on sale of property, plant and equipment	5.86
Property, Plant & Equipments written off	12.83
Late delivery charges paid to customers	5.40
Misc. Balance Written off	62.94
Miscellaneous expenses	94.35
	4,193.66

*Rent includes rent for assets other than building of ₹4.48 Lac.

₹ in Lacs

Exceptional Items	31 st March, 2021
Foreign Exchange rate fluctuation (Net)	(65.39)
Losses due to Fire-Inventory (Net)*	146.94
Losses due to Fire-Fixed Assets (Net)*	-
	81.55

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

28. OTHER EXPENSES (Contd..)

28.1 Detail of payment to auditors

₹ in Lacs

PARTICULARS	31 st March, 2021
Audit fee	4.60
Tax audit fee	1.00
Limited review fee	9.50
	15.10

29. INCOME TAX EXPENSES

Income tax recognised in profit & loss

₹ in Lacs

PARTICULARS	31 st March, 2021
Current tax:	
In respect of the current year	-
In respect of the prior years	-
Total current tax expense	-
Deferred tax:	
In respect of current year origination and reversal of temporary differences	350.46
Total deferred tax expense recognized in profit & loss	350.46

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

₹ in Lacs

PARTICULARS	31 st March, 2021
Profit before tax from continuing operations	1,511.64
	1,511.64
Income tax expense calculated @ 25.168% U/S 115BAA	-
	-
Effective Tax Rate	0.00%

30 EARNINGS PER SHARE

₹ in Lacs

PARTICULARS	31 st March, 2021
Profit attributable to equity holders of the parent group (with OCI)	1,213.38
Weighted average number of equity shares for the purposes of basic EPS	1,95,29,368
Effect of potential equity shares on Warrants	752.00
Weighted average number of equity shares for the purposes of diluted EPS	1,95,30,120
Basic earnings per share (face value of ₹ 10 per share)	6.21
Diluted earnings per share (face value of ₹ 10 per share)	6.21

₹ in Lacs

PARTICULARS	31 st March, 2021
Profit attributable to equity holders of the parent group (without OCI)	1,161.18
Weighted average number of equity shares for the purposes of basic EPS	1,95,29,368
Effect of potential equity shares on Warrants	752.00
Weighted average number of equity shares for the purposes of diluted EPS	1,95,30,120
Basic earnings per share (face value of ₹ 10 per share)	5.95
Diluted earnings per share (face value of ₹ 10 per share)	5.95

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

31 SEGMENT INFORMATION

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

The group is domiciled in India and all its non-current assets are located in/relates to India except capital advances of ₹505.81 lacs as at 31 March 2021.

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

Revenue by geographical area

		₹ in Lacs
PARTICULARS		31 st March, 2021
India		70,308.58
Rest of World		12.07
		70,320.65

Revenue by nature of products/services

		₹ in Lacs
PARTICULARS		For the Year Ended 31 st March, 2021
Sale of products		
Finished goods		66,315.57
Traded goods		3,609.67
Sale of services :		
Job Work Charges		137.06
Repair of Moulds		35.20
Other operating revenue :		
Sale of scrap		223.15
		70,320.65

There are three customers who has contributed 10% or more each to the group's revenue for the year ended 31 March 2021 amounting to ₹33061.08 lacs

32 EMPLOYEE BENEFIT PLANS

(i) Defined contribution plans:

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

Provident Fund Plan & Employee Pension Scheme: The group 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 group 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:

		₹ in Lacs
PARTICULARS		31 st March, 2021
group's contribution to Provident Fund		170.50
Administrative charges on above fund		7.60
group's contribution to Employee State Insurance Scheme		26.23
		204.33

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

32 EMPLOYEE BENEFIT PLANS (Contd..)

(ii) Defined benefit plans

(a) The group provides for gratuity obligations through a defined benefit retirement plan (the 'Gratuity Plan') covering all group 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 group.

(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
- 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 than 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:

₹ in Lacs

PARTICULARS	LEAVE ENCASHMENT 31 st March, 2021
Discounting rate	6.81%
Future salary growth rate	10.00%
Life expectancy/ Mortality rate*	100% of IALM 2012-14
withdrawal rate	5.00%
Method used	Projected unit credit Actuarial method

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

32 EMPLOYEE BENEFIT PLANS (Contd..)

₹ in Lacs

PARTICULARS	GRATUITY 31 st March, 2021
Discounting rate	6.81%
Future salary growth rate	10.00%
Life expectancy/ Mortality rate*	100% of IALM 2012-14
withdrawal rate	5.00%
Method used	Projected unit credit Actuarial method

* Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics (i.e. IALM 2012-14 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:

₹ in Lacs

PARTICULARS	LEAVE ENCASHMENT 31 st March, 2021
Current service cost	67.00
Net interest expense	19.59
Remeasurement-Actuarial loss/(gain)	(24.02)
Components of defined benefit costs recognised in profit or loss	62.57
Remeasurement on the net defined benefit liability:	
Return on plan assets (excluding amount included in net interest expense)	-
Actuarial (gain)/ loss arising form changes in financial assumptions	-
Actuarial (gain) / loss arising form changes in demographic assumptions	-
Actuarial (gain) / loss arising form experience adjustments	-
Components of defined benefit costs recognised in other comprehensive income	-
Total	62.57

₹ in Lacs

PARTICULARS	GRATUITY 31 st March, 2021
Current service cost	78.75
Net interest expense	23.60
Remeasurement-Actuarial loss/(gain)	-
Components of defined benefit costs recognised in profit or loss	102.35
Remeasurement on the net defined benefit liability:	
Return on plan assets (excluding amount included in net interest expense)	1.99
Actuarial (gain)/ loss arising form changes in financial assumptions	(0.53)
Actuarial (gain) / loss arising form changes in demographic assumptions	-
Actuarial (gain) / loss arising form experience adjustments	(53.66)
Components of defined benefit costs recognised in other comprehensive income	(52.20)
Total	50.15

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.

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

32 EMPLOYEE BENEFIT PLANS (Contd..)

(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:

PARTICULARS	₹ in Lacs
	LEAVE ENCASHMENT 31st March, 2021
Present value of defined benefit obligation as at the end of the year	310.30
Fair value of plan assets	
Funded status	(310.30)
Net asset/(liability) arising from defined benefit obligation recognised in the balance sheet	(310.30)

PARTICULARS	₹ in Lacs
	GRATUITY 31st March, 2021
Present value of defined benefit obligation as at the end of the year	478.73
Fair value of plan assets	187.94
Funded status	(290.79)
Net asset/(liability) arising from defined benefit obligation recognised in the balance sheet	(290.79)

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

PARTICULARS	₹ in Lacs
	LEAVE ENCASHMENT 31st March, 2021
Present value of defined benefit obligation at the beginning of the year	288.13
Expenses recognised in profit and loss account:	
Current Service Cost	67.00
Interest Expense (Income)	19.59
Remeasurement-Actuarial loss/gain	(24.02)
Remeasurement gains / (losses) recognised in other comprehensive income:	
Actuarial Gain (Loss) arising from:	
i. Demographic Assumptions	-
ii. Financial Assumptions	-
iii. Experience Adjustments	-
Benefit paid	(40.40)
Present value of defined benefit obligation at the end of the year	310.30

PARTICULARS	₹ in Lacs
	GRATUITY 31st March, 2021
Present value of defined benefit obligation at the beginning of the year	473.17
Expenses recognised in profit and loss account:	
Current Service Cost	78.75
Interest Expense (Income)	32.18
Remeasurement-Actuarial loss/gain	-
Remeasurement gains / (losses) recognised in other comprehensive income:	
Actuarial Gain (Loss) arising from:	
i. Demographic Assumptions	-
ii. Financial Assumptions	(0.53)
iii. Experience Adjustments	(53.66)
Benefit paid	(51.18)
Present value of defined benefit obligation at the end of the year	478.73

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

32 EMPLOYEE BENEFIT PLANS (Contd..)

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

PARTICULARS	₹ in Lacs
	LEAVE ENCASHMENT 31st March, 2021
Fair value of plan assets at the beginning of the year	-
Expenses recognised in profit and loss account	-
Expected return on plan assets	-
Remeasurement gains / (losses) recognised in other comprehensive income	-
Actual Return on plan assets in excess of the expected return	-
Contributions by employer	(40.40)
Benefit payments	40.40
Fair value of plan assets at the end of the year	-

PARTICULARS	₹ in Lacs
	GRATUITY 31st March, 2021
Fair value of plan assets at the beginning of the year	126.08
Expenses recognised in profit and loss account	-
Expected return on plan assets	6.58
Remeasurement gains / (losses) recognised in other comprehensive income	-
Actual Return on plan assets in excess of the expected return	34.46
Contributions by employer	72.00
Benefit payments	(34.46)
Benefits paid from the plan assets	(16.72)
Fair value of plan assets at the end of the year	187.94

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

PARTICULARS	₹ in Lacs
	31st March, 2021
Fund managed by the insurer.	100%

(h) Sensitivity analysis

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

PARTICULARS	Change in Assumptions	Effect on Gratuity Obligation	Change in Assumptions	Effect on leave Encashment
For the year ended March 31, 2021				
Discount Rate	0.50%	(25.29)	0.50%	(15.17)
	-0.50%	27.71	-0.50%	16.50
Salary Growth Rate	1.00%	49.18	1.00%	32.27
	-1.00%	(42.18)	-1.00%	(27.99)
Withdrawal rate	2.00%	(22.20)	2.00%	(11.34)
	-2.00%	29.91	-2.00%	14.93

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

33. CAPITAL MANAGEMENT

For the purpose of Capital Management, Capital includes net debt and total equity of the group. The group 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 group 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 group may take appropriate steps in order to maintain, or if necessary adjust, its capital structure

₹ in Lacs

PARTICULARS	GRATUITY 31 st March, 2021
Non-current borrowings (note 14)	8,983.82
Current borrowings (note 16)	6,562.69
Current maturities of long term borrowings (note 14)	3,058.61
Total debts (A)	18,605.12
Less: Cash and cash equivalent (note 11(a))	(741.93)
Net Debt (A)	17,863.19
*Total equity (note 12 & note 13) (B)	19,246.88
Gearing ratio (A/B)	92.81%

During the year 2020-21, the group had allotted 1,65,000 equity shares of Face value of ₹10 on conversion of warrants allotted to promoters & non-promoters on private placement basis to Mr. Anurag Gupta, Mr. Vishal Gupta, Mr. Vikas Gupta and Mr. Arvind Yeshwant Pradhan.

Further, no changes were made in the objectives, policies or process for managing capital during the years ended 31 March 2021. The group is not subject to any externally imposed capital requirements.

The financial statements of the group for the year ended March 31, 2021 were approved for issue in accordance with the resolution of the Board of Directors on June 05, 2021.

The Board of Directors at their meeting held on 25th May, 2021, have inter-alia approved the following:

- (i) Issue of 10,76,904 -17.96% Compulsorily Convertible Debentures ("CCDs") of face value of ₹ 337/- each and Equity Shares towards coupon payment arising on conversion of Compulsorily Convertible Debentures.
- (ii) Issue of 11,95,950 Equity Shares of face value of ₹10/- each fully paid up, at a price of ₹337/- per equity share on preferential basis.

34. FINANCIAL RISK MANAGEMENT

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

The group'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 group and there are appropriate policies and procedures in place through which such financial risks are identified, measured and managed in accordance with the group's policies and risk objectives. It is the group 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 group. The group 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 group'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 group 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 group 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.

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

34. FINANCIAL RISK MANAGEMENT (Contd..)

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 group's maximum exposure to credit risk at the reporting date is the carrying amount of each financial asset as detailed in note no. 5, 6 and 7.

The trade receivables position is provided here below:

PARTICULARS	₹ in Lacs
	31 st March, 2021
Total receivables (note no. 5)	14,725.64
Receivables individually in excess of 10% of the total receivables	8,144.37
Percentage of above receivables to the total receivables of the group	55.31%

(ii) Liquidity risk

The group uses liquidity forecast tools to manage its liquidity. The group is able to organise liquidity through own funds and through working capital loans. The group 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.

PARTICULARS	₹ in Lacs
	31 st March, 2021
Total current assets	28,303.18
Total current liabilities	28,583.34
Current ratio	0.99

Maturities analysis of financial liabilities:

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

PARTICULARS	on demand	< 1 year	1-3 year	3-5 year	More than-5 years
As at 31st March 2021					
Borrowings	6,562.69	-	4,477.32	3,243.22	1,263.28
Trade payable	-	15,334.73	-	-	-
Other financial liabilities	-	4,931.83	71.27	-	-
Other financial liabilities	6,562.69	20,266.56	4,548.59	3,243.22	1,263.28

(iii) Market risk

The group 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 group 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 group are quite substantial, the group is exposed to interest rate risk. The above strategy of the group 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 group 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.

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

34. FINANCIAL RISK MANAGEMENT (Contd..)

(b) Commodity price Risk

Commodity price risk is the risk that future cash flow of the group will fluctuate on account of changes in market price of key raw materials. The group is exposed to the movement in the price of key raw materials in domestic and international markets. The group 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 group transact business primarily in Indian Rupees and USD. The group has foreign currency trade payables and is therefore exposed to foreign exchange risk.

35 RELATED PARTY TRANSACTIONS

Pursuant to compliance of Indian Accounting Standard (IND AS) 24 "Related Party Disclosures", the relevant information is provided here below:

(i) Related parties where control exists: Nil

(ii) Related parties with whom transactions have taken place during the year alongwith details of such transactions and outstanding balances as at the end of the year:

		₹ in Lacs
Name of related party and nature of transactions	Relationship	For the Year ended 31-Mar-2021
Rent Paid		
Mr. Vishal Gupta (Executive Director)	Key Management Personnel	0.15
Mrs. Sudesh Gupta	Relative of Key Management Personnel	16.20
PG Electronics	Other related party	0.60
Reimbursement of Expenses		
Mr. Mahabir Prasad Gupta (Chief Financial Officer) from 23.06.2020 till 31.01.2021	Key Management Personnel	0.91
Mr. Praveen Datt Agarwal (Chief Financial Officer) till 31.05.2020	Key Management Personnel	1.40
Mr. Bhawa Nand Choudhary - Managing Director till 31.03.2021	Key Management Personnel	1.81
Mr. Anurag Gupta (Executive Director)	Key Management Personnel	12.00
Mr. Vishal Gupta (Executive Director)	Key Management Personnel	12.00
Mr. Vikas Gupta (Executive Director)	Key Management Personnel	12.00
Mr. Pranav Gupta	Relative of Key Management Personnel	4.20
Mr. Aditya Gupta	Relative of Key Management Personnel	1.20
Mrs. Kanika Gupta	Relative of Key Management Personnel	3.24
Loan Repayment		
Mr. Vishal Gupta (Executive Director)	Key Management Personnel	41.73
Mr. Vikas Gupta (Executive Director)	Key Management Personnel	41.44
Mr. Anurag Gupta (Executive Director)	Key Management Personnel	58.73
Share Warrant Money converted in Equity Share Capital		
Mr. Vishal Gupta (Executive Director)	Key Management Personnel	52.50
Mr. Vikas Gupta (Executive Director)	Key Management Personnel	52.50
Mr. Anurag Gupta (Executive Director)	Key Management Personnel	52.50
Remuneration		
Mr. Vishal Gupta (Executive Director)	Key Management Personnel	111.88
Mr. Vikas Gupta (Executive Director)	Key Management Personnel	115.18
Mr. Anurag Gupta (Executive Director)	Key Management Personnel	85.07
Mr. Mahabir Prasad Gupta (Chief Financial Officer) from 23.06.2020 to 31.01.2021	Key Management Personnel	9.01

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

35 RELATED PARTY TRANSACTIONS (Contd..)

(ii) Related parties with whom transactions have taken place during the year alongwith details of such transactions and outstanding balances as at the end of the year: (Contd..)

		₹ in Lacs
Name of related party and nature of transactions	Relationship	For the Year ended 31-Mar-2021
Mr.Sanchay Dubey (Company Secretary)	Key Management Personnel	3.55
Mr. Praveen Datt Agarwal (Chief Financial Officer) till 31.05.2020	Key Management Personnel	6.18
Mr. Bhawa Nand Choudhary- Managing Director till 31.03.2021	Key Management Personnel	27.66
Mr. Promod Chimmanlal Gupta (Chief Financial Officer) w.e.f. 01.02.2021	Key Management Personnel	9.41
Director Sitting Fee		
Mr. Devendra Jha (Independent Non-Executive Director) till 08.02.2021	Key Management Personnel	1.70
Mr. Sharad Jain (Independent Non-Executive Director)	Key Management Personnel	2.10
Mrs. Rita Mohanty (Independent Non-Executive Director)	Key Management Personnel	1.80
Mr. Pramod Chimmanlal Gupta (Independent Non-Executive Director) till 25.01.2021	Key Management Personnel	1.70
Mr. Kishore Kumar Kaul (Independent Non-Executive Director) w.e.f. 26.01.2021	Key Management Personnel	0.50
Salary to Relatives		
Mrs. Sarika Gupta	Relative of Key Management Personnel	25.47
Mrs. Nitasha Gupta	Relative of Key Management Personnel	25.42
Mrs. Neelu Gupta	Relative of Key Management Personnel	25.50
Mrs. Sudesh Gupta	Relative of Key Management Personnel	25.42
Mr. Pranav Gupta	Relative of Key Management Personnel	19.46
Mr. Aditya Gupta	Relative of Key Management Personnel	4.89
Mrs. Kanika Gupta	Relative of Key Management Personnel	7.70
Mrs. Anju Choudhary	Relative of Key Management Personnel	7.99
Mrs Sarita Gupta from 23.06.2020 till 31.01.2021	Relative of Key Management Personnel	3.80
Mr Vatsal Gupta	Relative of Key Management Personnel	5.23
Leave Encashment paid during the year		
Mr. Praveen Datt Agarwal (Chief Financial Officer) till 31.05.2020	Key Management Personnel	0.25
Mr. Bhawa Nand Choudhary - Managing Director till 31.03.2021	Key Management Personnel	12.69
Mrs. Anju Choudhary till 31.03.2021	Relative of Key Management Personnel	3.10
Provision for Leave Encashment		
Mr. Vishal Gupta (Executive Director)	Key Management Personnel	2.78
Mr. Vikas Gupta (Executive Director)	Key Management Personnel	4.10
Mr. Anurag Gupta (Executive Director)	Key Management Personnel	2.80
Mr. Mahabir Prasad Gupta (Chief Financial Officer) w.e.f. 23.06.2020 to 31.01.2021	Key Management Personnel	0.27
Mr Sanchay Dubey (Company Secretary)	Key Management Personnel	(0.03)
Mrs. Sarika Gupta	Relative of Key Management Personnel	1.15
Mrs. Nitasha Gupta	Relative of Key Management Personnel	1.13
Mrs. Neelu Gupta	Relative of Key Management Personnel	0.93
Mrs. Sudesh Gupta	Relative of Key Management Personnel	1.04
Mr. Pranav Gupta	Relative of Key Management Personnel	1.40
Mr. Aditya Gupta	Relative of Key Management Personnel	0.37
Mrs. Kanika Gupta	Relative of Key Management Personnel	0.53
Mrs Sarita Gupta from 23.06.2020 till 31.01.2021	Relative of Key Management Personnel	0.11
Mr Vatsal Gupta	Relative of Key Management Personnel	0.33

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

35 RELATED PARTY TRANSACTIONS (Contd..)

(ii) Related parties with whom transactions have taken place during the year alongwith details of such transactions and outstanding balances as at the end of the year: (Contd..)

		₹ in Lacs
Name of related party and nature of transactions	Relationship	For the Year ended 31-Mar-2021
Gratuity paid during the year		
Mr. Bhawa Nand Choudhary - Managing Director till 31.03.2021	Key Management Personnel	10.38
Mrs. Anju Choudhary till 31.03.2021	Relative of Key Management Personnel	2.54
Provision for Gratuity		
Mr. Vishal Gupta (Executive Director)	Key Management Personnel	0.36
Mr. Vikas Gupta (Executive Director)	Key Management Personnel	0.36
Mr. Anurag Gupta (Executive Director)	Key Management Personnel	0.51
Mr. Mahabir Prasad Gupta (Chief Financial Officer) w.e.f. 23.06.2020 to 31.01.2021	Key Management Personnel	0.25
Mr Sanchay Dubey (Company Secretary)	Key Management Personnel	0.17
Mrs. Sarika Gupta	Relative of Key Management Personnel	0.44
Mrs. Nitasha Gupta	Relative of Key Management Personnel	0.50
Mrs. Neelu Gupta	Relative of Key Management Personnel	0.87
Mrs. Sudesh Gupta	Relative of Key Management Personnel	0.87
Mr. Pranav Gupta	Relative of Key Management Personnel	0.78
Mr. Aditya Gupta	Relative of Key Management Personnel	0.28
Mrs. Kanika Gupta	Relative of Key Management Personnel	0.40
Mrs Sarita Gupta from 23.06.2020 till 31.01.2021	Relative of Key Management Personnel	0.11
Mr Vatsal Gupta	Relative of Key Management Personnel	0.26

(iii) Remuneration of key managerial personnel:

		₹ in Lacs
PARTICULARS		Year ended 31-Mar-2021
Short term Employee benefits		
Post employment benefits		377.85
		1.65
Total		379.51

Remuneration and outstanding balances of KMP does not include long term employee benefits by way of gratuity and compensated absences, which are currently not payable and are provided on the basis of actuarial valuation by the Group.

		₹ in Lacs
Outstanding balances	Relationship	Year ended 31-Mar-2021
Rent Security Recoverable		
Mrs. Sudesh Gupta	Relative of Key Management Personnel	4.50
Payables		
PG International	Other related party	6.65
J. B. Electronics	Other related party	3.62
PG Electronics	Other related party	0.15
Mr. Vishal Gupta	Key Managerial Personnel	0.04

(v) Terms & conditions:

The outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided to or received for any related party receivable or payables. The Group has not recorded any impairment of receivables relating to amounts owed by related parties for the year ended 31 March 2021 other than that stated above.

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

36 FAIR VALUE MEASUREMENTS

36.1 Financial instruments by category

₹ in Lacs

PARTICULARS	As at 31 st March, 2021	
	Carrying Amount	Fair Value
Financial Assets at amortised cost		
Fixed deposits with banks (Non Current)	-	-
Cash and bank balances	1,497.63	1,497.63
Trade and other receivables	14,725.64	14,725.64
Loans (current)	31.32	31.32
Other financial assets (Non Current)	311.99	311.99
Other financial assets (Current)	475.94	475.94
Investment In Equity Shares Of Subsidiary	-	1.43
Financial Assets at FVTPL		
Investment in mutual funds	15.45	15.45
Financial liabilities at amortised cost		
Borrowings (Non Current)	8,983.82	8,983.82
Borrowings (Current)	6,562.69	6,562.69
Other financial liabilities (Non current)	71.27	71.27
Other financial liabilities (Current)	4,931.83	4,931.83

36.2 Fair value hierarchy

The group uses the following hierarchy for fair value measurement of the group's financial 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 group's asset and liabilities:-

₹ in Lacs

Particulars	Levels	31-Mar-2021 Carrying Value
Financial Assets at amortised cost		
Other Financial Assets (Non-Current)	Level-3	311.99
Loans (Current)	Level-3	31.32
Financial Assets at FVTPL		
Investment in mutual funds	Level-1	15.45
Financial Liabilities at amortised cost		
Borrowings (Non Current)	Level-3	8,983.82
Borrowings (Current)	Level-3	6,562.69
Other Financial Liabilities (Non Current)	Level-3	71.27

During the year ended 31.03.2021, 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

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

36 FAIR VALUE MEASUREMENTS (Contd..)

36.1 Financial instruments by category (Contd..)

Fair valuation techniques

The group 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 group 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. LEASES

Lease arrangements

As Lessee:-

	₹ in Lacs
Payment recognized as expenses	31st March, 2021
Lease Payments (Lease for 12 months or less) (refer note 28)	81.06
Depreciation on Right-to-use Asset	107.49
Interest on Lease Liabilities	18.13
	206.68

	₹ in Lacs	
Non-cancellable lease commitments	As at 31st March, 2021	
	Minimum lease payment	PV of Minimum Lease payment
Not later than one year	107.36	98.74
Later than one year and not later than five years	51.85	48.88
Later than five years	7.50	5.08
	166.71	152.70
Less: Amount Representing Interest	14.01	-
Present value of minimum lease payment payables	152.70	152.70

38. Commitments

	₹ in Lacs
Payment recognized as expenses	31st March, 2021
Estimated amount of contracts remaining to be executed on Capital account and not provided for (Net of advances)	1,288.52

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

39. Contingent liabilities

₹ in Lacs

PARTICULARS	31 st March, 2021
Contingent liability (to the extent not provided for)	
Claims against the group not acknowledged as debts (excluding interest & penalty)	
Central Excise (FY 2008-09 to 2011-12) {see note below}	765.73
Total	765.73

Excise department has issued show cause notice dated 22nd Dec., 2011 for ₹ 765.73 lacs in respect of CTV sold to ELCOT, Tamil Nadu (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 group 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 before Supreme Court for final decision.

40. Disclosures Required Under Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006

Based on the intimation received by the group from its suppliers regarding their status under the Micro,Small and Medium Enterprises Development Act, 2006, the relevant information is provided here below:

₹ in Lacs

PARTICULARS	31 st March, 2021
The principle amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;	
(i) Principal Amount	1,104.25
(ii) Interest due on above	-
The amount of interest paid by the buyer in terms of section 16 of Micro, Small and Medium Enterprises Development 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 without adding the interest specified under the Micro, Small and Medium Enterprises Development 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 Development Act,2006,	-

41. Group Information

The Consolidated financial statement of the group includes the financial statements of following subsidiary:-

(I) Parent

S No	Name of Entity	Country of Incorporation	Nature
(i)	PG Electroplast Limited	India	Parent Company

Notes to the Consolidated Financial Statements

for the year ended on 31st March 2021

41. Group Information (Contd..)

(II) Subsidiary having Controlling interest

				₹ in Lacs
S No	Name of Entity	Country of Incorporation	Nature	Ownership interest held by the parent
(i)	PG Technoplast Private Limited	India	Wholly Owned Subsidiary	100

Parent company has only one subsidiary i.e. PG Technoplast Private Limited, which was acquired as on 17.12.2020 during the year. Therefore, group has not reported the comparative previous year figures as they are not comparable.

42. Corporate Social Responsibility (CSR)

During the year, group is not covered under the provisions of CSR as specified in the Companies Act 2013.

- 43.** Consequent to the disruption caused due to Covid-19, the group has made an assessment as at March 31, 2021 of recoverability of the carrying values its assets such as property, plant and equipment, intangible assets, inventory, trade receivables and other current assets giving due consideration to the internal and external factors. Further, on account of continued spread of Covid-19 disease in the country, the group has made timely and requisite changes which has resulted in consistent growth during the year. The group is continuously monitoring the situation arising on account of Covid-19 and will make appropriate action required, if any.

44. STANDARDS ISSUED BUT NOT YET EFFECTIVE

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2021.

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
UDIN:21098247AAAAUO4277

Place: Greater Noida, U.P.
Dated: 05th June, 2021

For and on behalf of Board of Directors
PG Electroplast Ltd

(Anurag Gupta)
Chairman & Executive Director
DIN-00184361

(Sanchay Dubey)
Company Secretary
ACS No:A51305

(Vishal Gupta)
Managing Director - Finance
DIN-00184809

(Promod C Gupta)
Chief Financial Officer



PG ELECTROPLAST LIMITED

CIN: L32109DL2003PLCT19416

Regd. Office: DTJ-209, 2nd Floor, DLF Tower-B, Jasola, New Delhi-110025

Corp. Office: P-4/2 to 4/6, Site B, UPSIDC Industrial Area, Surajpur, Greater Noida, Dist. Gautam Budh Nagar, (U.P.)-201306

Email: investors@pgel.in **Website:** www.pgel.in **Phones:** +011-41421439 / 0120-2569323

Notice of the 19th Annual General Meeting

NOTICE is hereby given that the 19th ANNUAL GENERAL MEETING of the members of PG ELECTROPLAST LIMITED (the "Company") will be held on Wednesday, 29th day of September, 2021 at 11:00 AM through video conferencing or any other audio visual means to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including consolidated financial statements) of the Company for the financial year ended on 31st March, 2021, the report of the Board of Directors and Statutory 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.
3. To appoint Auditors of the Company and fix their remuneration 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 provisions of Section 139 & 142 of the Companies Act, 2013 (the "Act") read with Companies (Audit and Auditors) Rules, 2014 and other applicable provisions (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s S.S. Kothari Mehta & Company, Chartered Accountants, (Firm Registration No. 000756N); be and are hereby appointed as Statutory Auditors of the Company from the conclusion of this 19th Annual General Meeting till the conclusion of 24th Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors of the company in consultation with the Auditors plus applicable taxes reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit."

SPECIAL BUSINESS:

4. **TO APPROVE/RATIFY REMUNERATION OF THE COST AUDITOR FOR THE FINANCIAL YEAR ENDING ON 31st MARCH, 2022** 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 Rs. 3,50,000/- (Rupees Three Lakh Fifty Thousand 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 records of the Company, for the financial year ending on 31st March, 2022 as approved by the Board of Directors on recommendation of the Audit Committee of the Company".

5. **TO APPOINT MR. VISHAL GUPTA (DIN:00184809), AS THE MANAGING DIRECTOR - FINANCE OF THE COMPANY** and in this regard to consider and, if thought fit, to pass with or without modification the following resolution as an **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and pursuant to provisions of section 196, 197, 203 of the Companies Act 2013 read with Schedule V thereof and the rules made thereunder and provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 and other applicable provisions, if any, (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of

members of the Company be and is hereby accorded for appointment of Mr. Vishal Gupta (DIN:00184809), as a Managing Director-Finance of the Company for a period of three years with effect from April 01, 2021 who shall be responsible for Finance & Administration, Budgeting & Planning, Government and customer relationships and such other terms and conditions mentioned below:

a) Salary, Perquisites and Allowances:

Salary	Basic Salary: Rs. 5,58,884/- per month with increments as may be decided by the Board of Directors from time to time subject to ceiling up to Rs. 8,00,000/- per month.
Perquisites and Allowances*, Bonus	Value of all kind of perquisite and allowances shall be Rs. 5,58,904/- per month with increments as may be decided by the Board of Directors from time to time subject to ceiling up to Rs. 7,00,000/- per month.
Provision of Annual increment	There shall be provision of annual increment with authority of the Board to fix/alter/enhance his salary from time to time within ceiling approved by shareholders by special resolution.
Due date of increment	As per company policy and approval of the Board.

*Perquisites and allowances, as aforesaid, shall include accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and / or allowances for utilisation of gas, electricity, water, furnishing and repairs, medical assistance, attendant allowance and leave travel concession for self and family including dependents and shall also include any other perquisites and allowances by whatever name called. The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment(s) thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

- b) The Company's contribution to provident fund, superannuation or annuity fund, gratuity payable and encashment of leave, as per the rules of the Company, shall be in addition to the remuneration under (a) above.
- c) Increment in salary, perquisites and allowances and remuneration by way of incentive / bonus / performance linked incentive, payable to Mr. Vishal Gupta, as per company policy and as may be determined by the Board and shall be within the remuneration under (a) above.
- d) It is clarified that employees stock options granted / to be granted to Mr. Vishal Gupta, from time to time, shall not be considered as a part of perquisites under (a) above and that the perquisite value of stock options exercised shall be in addition to the remuneration under (a) above.
- e) Reimbursement of Expenses: Expenses incurred for travelling, board and lodging and attendant(s) during business trips and provision of car(s) for use on Company's business and communication expenses at residence shall be reimbursed at actuals and not considered as perquisites.
- f) Minimum Remuneration: Notwithstanding anything to the contrary herein contained where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay to Managing Director remuneration by way of salary, benefits, perquisites & allowances and Commission/performance Bonus as specified above within the limit prescribed in schedule V of the Companies Act 2013."

"RESOLVED FURTHER THAT the Board of Directors after recommendation of Nomination and Remuneration Committee shall have authority and liberty to alter and vary the amount, terms and conditions of the said remuneration as it may deem fit and as may be acceptable to Mr. Vishal Gupta, subject to the ceiling on aggregate remuneration of Rupees One Crore Eighty Lakhs per annum or Rupees Fifteen Lakh per month."

"RESOLVED FURTHER THAT Mr. Vishal Gupta shall be liable to retire by rotation and this appointment shall be subject to continuance as a Director of the Company during the tenure and shall ipso facto terminate, if he ceases to be director of the Company, for any reason whatsoever."

"RESOLVED FURTHER THAT subject to Section 197 and Section II of Part II of Schedule V of the Companies Act 2013 and other applicable provisions, if any, and necessary statutory approvals, if any, the above said remuneration or remuneration altered by the Board of Directors as per authority conferred by this resolution, may be paid as minimum remuneration to Mr. Vishal Gupta, as Managing Director even in the event of absence or inadequacy of profits in any financial year during his tenure".

"RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to do all such acts, deeds, matters and things as in absolute discretion it may consider necessary, expedient or desirable in order to give effect to the above resolution."

6. TO APPOINT MR. VIKAS GUPTA (DIN:00182241), AS THE MANAGING DIRECTOR - OPERATIONS OF THE COMPANY and in this regard to consider and, if thought fit, to pass with or without modification the following resolution as an **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and pursuant to provisions of section 196, 197, 203 of the Companies Act, 2013 read with Schedule V thereof and the rules made thereunder and provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 and other applicable provisions, if any, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and approval of members of the Company be and is hereby accorded for appointment of Mr. Vikas Gupta (DIN:00182241), as a Managing Director-Operations of the Company for a period of three years with effect from April 01, 2021 who shall be responsible for operations, business strategy, industry relations and organization governance and such other terms and conditions mentioned below:

a) Salary, Perquisites and Allowances:

Salary	Basic Salary: Rs. 5,58,884/- per month with increments as may be decided by the Board of Directors from time to time subject to ceiling up to Rs. 8,00,000/- per month.
Perquisites and Allowances*, Bonus	Value of all kind of perquisite and allowances shall be Rs. 5,58,904/- per month with increments as may be decided by the Board of Directors from time to time subject to ceiling up to Rs. 7,00,000/- per month.
Provision of Annual increment	There shall be provision of annual increment with authority of the Board to fix/alter/enhance his salary from time to time within ceiling approved by shareholders by special resolution.
Due date of increment	As per company policy and approval of the Board.

*Perquisites and allowances, as aforesaid, shall include accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and / or allowances for utilisation of gas, electricity, water, furnishing and repairs, medical assistance, attendant allowance and leave travel concession for self and family including dependents and shall also include any other perquisites and allowances by whatever name called. The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment(s) thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

- b) The Company's contribution to provident fund, superannuation or annuity fund, gratuity payable and encashment of leave, as per the rules of the Company, shall be in addition to the remuneration under (a) above.
- c) Increment in salary, perquisites and allowances and remuneration by way of incentive / bonus / performance linked incentive, payable to Mr. Vikas Gupta, as per company policy and as may be determined by the Board and shall be within the remuneration under (a) above.
- d) It is clarified that employees stock options granted / to be granted to Mr. Vikas Gupta, from time to time, shall not be considered as a part of perquisites under (a) above and that the perquisite value of stock options exercised shall be in addition to the remuneration under (a) above.
- e) Reimbursement of Expenses: Expenses incurred for travelling, board and lodging and attendant(s) during business trips and provision of car(s) for use on Company's business and communication expenses at residence shall be reimbursed at actuals and not considered as perquisites.
- f) Minimum Remuneration: Notwithstanding anything to the contrary herein contained where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay to Managing Director remuneration by way of salary, benefits, perquisites & allowances and Commission/performance Bonus as specified above within the limit prescribed in schedule V of the Companies Act 2013."

"RESOLVED FURTHER THAT the Board of Directors after recommendation of Nomination and Remuneration Committee shall have authority and liberty to alter and vary the amount, terms and conditions of the said remuneration as it may deem fit and as may be acceptable to Mr. Vikas Gupta, subject to the ceiling on aggregate remuneration of Rupees One Crore Eighty Lakhs per annum or Rupees Fifteen Lakh per month."

"RESOLVED FURTHER THAT Mr. Vikas Gupta shall be liable to retire by rotation and this appointment shall be subject to continuance as a Director of the Company during the tenure and shall ipso facto terminate, if he ceases to be director of the Company, for any reason whatsoever."

"RESOLVED FURTHER THAT subject to Section 197 and Section II of Part II of Schedule V of the Companies Act 2013 and other applicable provisions, if any, and necessary statutory approvals, if any, the above said remuneration or remuneration altered by the Board of Directors as per authority conferred by this resolution, may be paid as minimum remuneration to Mr. Vikas Gupta, as Managing Director even in the event of absence or inadequacy of profits in any financial year during his tenure".

"RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to do all such acts, deeds, matters and things as in absolute discretion it may consider necessary, expedient or desirable in order to give effect to the above resolution."

7. TO APPOINT MR. KISHORE KUMAR KAUL (DIN:07339035) AS AN INDEPENDENT DIRECTOR and in this regard to consider and, if thought fit, to pass with or without modification the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule IV to the Act, as amended from time to time and applicable provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Mr. Kishore Kumar Kaul (DIN:07339035), who has been appointed as an Additional Director (Non-Executive Independent Director) of the Company w.e.f. January 26, 2021 and whose term expires at this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company for a period of five consecutive years w.e.f. January 26, 2021."

8. TO APPOINT MR. RAM DAYAL MODI (DIN:03047117) AS AN INDEPENDENT DIRECTOR and in this regard to consider and, if thought fit, to pass with or without modification the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule IV to the Act, as amended from time to time and applicable provisions of SEBI

(Listing Obligation and Disclosure Requirements) Regulations, 2015, Mr. Ram Dayal Modi (DIN: 03047117), who has been appointed as an Additional Director (Non-Executive Independent Director) of the Company w.e.f. May 26, 2021 and whose term expires at this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company for a period of five consecutive years w.e.f. May 26, 2021.”

- 9. TO APPOINT MS. MITALI CHITRE (DIN:09040978) AS NOMINEE DIRECTOR (NON-EXECUTIVE DIRECTOR)** and in this regard to consider and, if thought fit, to pass with or without modification the following resolution as an **ORDINARY RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Section 161 (3) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder if any, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Mitali Chitre (DIN: 09040978) who have been nominated by Baring Private Equity India AIF be and is hereby appointed as Nominee Director (Non-Executive Director) of the Company for a period of three consecutive years w.e.f. July 02, 2021.”

- 10. TO APPOINT MS. RUCHIKA BANSAL (DIN:06505221) AS AN INDEPENDENT DIRECTOR** and in this regard to consider and, if thought fit, to pass with or without modification the following resolution as an **ORDINARY RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule IV to the Act, as amended from time to time and applicable provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Ms. Ruchika Bansal (DIN:06505221), who has been appointed as an Additional Director (Non-Executive Independent Director) of the Company w.e.f. August 14, 2021 and whose term expires at this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company for a period of five consecutive years w.e.f. August 14, 2021.”

By Order of Board of Directors
of **PG Electroplast Limited**

(Sanchay Dubey)

Company Secretary

Membership No. A51305

Date: 14/08/2021

Place: Greater Noida

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NOTES:

- a) In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has, vide its circulars dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020, December 31, 2020 and SEBI circular dated May 12, 2020 and January 15, 2021 (collectively referred to as 'Circulars'), permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing/ Other Audio Visual Means ("VC/OAVM"), without the physical presence of the Members at a common venue. Accordingly, the AGM of the Company is being held through VC/OAVM. Instructions for attending the meeting through VC/OAVM and remote e-voting are attached.
- b) In line with the various circulars, Notice of the AGM is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories ("DP"). Members may note that the Notice of AGM will also be available on the Company's website (www.pg-el.in), website of BSE (www.bseindia.com), NSE (www.nseindia.com) and website of Registrar and Transfer Agent of the Company i.e., KFin Technologies Private Limited (www.evoting.kfintech.com).
- c) Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the aforesaid circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to the Notice. Likewise, the Route Map is also not annexed with this Notice.
- d) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013. Members can attend and participate in the Annual General Meeting through VC/OAVM only.
- e) Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the company by email through its registered email address at investors@pg-el.in.
- f) Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is attached and forms part of this notice.
- g) Members holding shares in electronic form are requested to intimate all changes pertaining to their bank particulars, nominations, power of attorney, change of address, change of name, email address, contact numbers, etc., to their Depository Participants (DP). Changes intimated to the DP will then be automatically reflected in the Company's record which will help the Company and KFin Technologies Private Limited, Registrar and Transfer Agent of the Company, to provide efficient and better services. Members holding shares in physical form are also requested to intimate such changes to the Company or KFin Technologies Private Limited.
- h) Members holding shares in physical form are mandatorily required to dematerialize their holding in order to eliminate all risks associated with physical share certificate. Members can contact the Company or its RTA i.e. KFin Technologies Private Limited for further assistance.
- i) Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's Registrars, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
- j) In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
- k) Electronic copy of all documents referred to the accompanying Notice of AGM will be available for inspection by members in electronic mode at the Company's website i.e. www.pg-el.in.
- l) The Company has a registered e-mail address investors@pg-el.in for members to mail their queries or lodge complaints, if any. The Company endeavors to reply to queries at the earliest. The Company's website www.pg-el.in has a dedicated section on Investors.
- m) The Securities and Exchange Board of India (SEBI) vide Circular (SEBI/HO/MIRSD/DOPI/CIR/P/2018/73) dated April 20, 2018 has mandated the submission of Permanent Account Number (PAN) and Bank details by every participant in securities market. Members holding shares in electronic form are mandatorily required to submit their PAN and Bank details to their depository participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN and Bank details to the Company/RTA. Shareholders who have not updated their details are requested to send their PAN and Bank details in terms of the above said SEBI Circulars.
- n) Pursuant to Section 72 of the Companies Act, 2013, member(s) of the Company may nominate a person in whom the shares held by him/them shall vest in the event of his/ their unfortunate death. Member(s) holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's RTA. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.
- o) Members of the Company holding shares either in physical form or in electronic form as on the cut-off date i.e. Wednesday, September 22, 2021 may cast their vote by remote e-Voting. The remote e-Voting period commences on Saturday, September 25, 2021 at 9.00 a.m. (IST) and ends on Tuesday, September 28, 2021 at 5.00 p.m. (IST).** The remote e-Voting module shall be disabled by NSDL/CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members (for voting through remote e-Voting before/ during the AGM) shall be in proportion to

their share of the paid-up equity share capital of the Company as on the cut-off date, i.e., Wednesday, September 22, 2021.

- p) Members having any question or query related to agenda/business of AGM are requested to write to the Company Secretary on the Company's investor email-id investor@pgel.in during the period starting from Saturday, September 25, 2021 (09:00 a.m.) up to Monday, September 27, 2021 (5:00 p.m.), so as to enable the Management to keep the information ready. Please note that, Members questions will be answered only if they continue to hold the shares as of Wednesday, September 22, 2021, i.e. the cut-off date for e-voting.
- q) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued thereof, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM.
- As per the SEBI circular dated December 9, 2020 on e-voting facility, individual members holding securities in Demat mode are allowed to vote through their demat account maintained with Depositories (NSDL/CDSL) and Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.
- Individual members holding securities in physical mode are allowed to vote through e-voting platform <https://evoting.kfintech.com>. Other members except individual members are also allowed to vote through e-voting platform <https://evoting.kfintech.com>.
- r) Ms. Puja Mishra of M/s Puja Mishra & Co., a Practicing Company Secretary (ACS No. 42927, C.P. No.:17148), has been appointed as "Scrutinizer" to scrutinize the e-Voting process in a fair and transparent manner and she has communicated her willingness to be appointed.
- s) The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 2 working days of conclusion of the AGM, a consolidated Scrutinizer Report of the total votes cast in

favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

- t) The Results declared along with the Scrutinizer's Report shall be placed on the website of the Company at www.pgel.in and on the website of BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com and on the website of KFin at <https://evoting.kfintech.com>, immediately after the declaration of Result by the Chairman or any person authorized by him in writing.
- u) Subject to receipt of requisite number of votes, the Resolution shall be passed on Wednesday, September 29, 2021.
- v) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- w) The Company has been allotted ISIN INE457L01011 by CDSL and NSDL (for dematerialization of the company's shares. We hereby request all the members to get their shares dematerialized.

INSTRUCTIONS FOR REMOTE E-VOTING FOR AGM THROUGH VC/OAVM:

Login method for remote e-voting: Applicable only for Individual shareholders holding securities in Demat Form.

As per the SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual members holding securities in **Demat mode** are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

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Login method for Individual member holding securities in demat mode is given below:

NSDL	CDSL
<p>1. User already registered for the IDEAS facility:</p> <ol style="list-style-type: none"> I. URL: https://eservices.nsd.com II. Click on the "Beneficial Owner" icon under 'IDEAS' section. III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. <p>2. User not registered for IDEAS e-Services</p> <ol style="list-style-type: none"> I. To register click on link : https://eservices.nsd.com II. Select "Register Online for IDEAS" III. Proceed with completing the required fields. <p>3. User not registered for IDEAS e-Services</p> <ol style="list-style-type: none"> I. To register click on link: https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp II. Proceed with completing the required fields. <p>4. By visiting the e-Voting website of NSDL</p> <ol style="list-style-type: none"> I. URL: https://www.evoting.nsd.com/ II. Click on the icon "Login" which is available under 'Shareholder/Member' section. III. Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. V. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period. 	<p>1. Existing user who have opted for Easi / Easiest</p> <ol style="list-style-type: none"> I. URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com II. Click on New System Myeasi III. Login with user id and password. IV. Option will be made available to reach e-Voting page without any further authentication. V. Click on e-Voting service provider name to cast your vote. <p>2. User not registered for Easi/Easiest</p> <ol style="list-style-type: none"> I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields. <p>3. By visiting the e-Voting website of CDSL</p> <ol style="list-style-type: none"> I. URL: www.cdslindia.com II. Provide demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. IV. After successful authentication, user will be provided links for the respective ESP where the e- Voting is in progress.

Individual members (holding securities in demat mode) login through their depository participants.

Members can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-voting period.

IMPORTANT NOTE:

Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Members facing any technical issue - NSDL	Members facing any technical issue - CDSL
Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 18001020990 and 1800224430	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 22-23058542-43.

Instructions for remote e-voting for Physical cases (Shares held in Physical Mode):

- I. Launch internet browser by typing the URL: <https://evoting.kfintech.com>
- II. Enter the login credentials provided in the email and click on Login.
- III. Password change menu appears when you login for the first time with default password. You will be required to mandatorily change the default password.
- IV. The new password should 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.,).
- V. Update your contact details like mobile number, email address, etc. if prompted. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.
- VI. Login again with the new credentials.
- VII. On successful login, the system will prompt you to select the "EVENT" i.e. "PG Electroplast Limited."
- VIII. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off date under "FOR / AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR / AGAINST" taken together shall not exceed your total shareholding as mentioned above. If the member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- IX. Members holding multiple folios may choose to vote differently for each folio / demat account.
- X. You may then cast your vote by selecting an appropriate option and click on "Submit. A confirmation box will be displayed. Click "OK" to confirm or "CANCEL" to modify. Once you confirm the voting on the resolution, you will not be allowed to modify your vote thereafter. During the voting period, members can login multiple times and vote until they confirm the voting on the resolution by clicking "SUBMIT".
- XI. Corporate/institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/ JPG format) of certified true copy of relevant board resolution/authority letter, etc. together with attested specimen signature of the duly authorised signatory(ies) who is/are authorised to vote, to the Scrutiniser through email at and 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 'PGE_EVENT No'
- XII. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for Members at <https://evoting.kfintech.com/public/Faq.aspx> or call KFin on 1-800-309-4001 (toll free).

Those members who have not yet registered their email addresses are requested to get their email addresses registered with KFin by following the procedure mentioned below:

Visit the link: AGM/AGM – Mobile & Email Registration: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>

- I. Select the company name i.e., PG Electroplast Limited
- II. Select the Holding type from the drop down i.e. - NSDL / CDSL / Physical
- III. Enter DPID – Client ID (in case shares are held in electronic form) / Physical Folio No. (in case shares are held in physical form) and PAN.
- IV. If PAN details are not available in the system, the system will prompt to upload a self-attested copy of the PAN card for updating records.
- V. In case shares are held in physical form and PAN is not available in the records, please enter any one of the Share Certificate No. in respect of the shares held by you.
- VI. Enter the email address and mobile number.
- VII. System will validate DP ID – Client ID/ Physical Folio No. and PAN / Share certificate No., as the case may be, and send the OTP at the registered Mobile number as well as email address for validation.
- VIII. Enter the OTPs received by SMS and email to complete the validation process. OTPs validity will be for 5 minutes only.
- IX. The Notice and e-voting instructions along with the User ID and Password will be sent on the email address updated by the member.
- X. Alternatively, members may send an email request addressed to einward.ris@kfintech.com along with scanned copy of the request letter duly signed by the first shareholder, providing the email address, mobile number, self-attested copy of PAN and Client Master copy in case shares are held in electronic form or copy of the share certificate in case shares are held in physical form, to enable KFin to register their email address and to provide them the Notice and the e-voting instructions along with the User ID and Password.
- XI. Please note that in case the shares are held in electronic form, the above facility is only for temporary registration of email address for receipt of the Notice and the e-voting instructions along with the User ID and Password. Such members will have to register their email address with their DPs permanently, so that all communications are received by them in electronic form.
- XII. In case of queries, members are requested to write to einward.ris@kfintech.com or call at the toll free number 1-800-309-4001

INSTRUCTIONS FOR VOTING AT AGM:

- a. Only those members/shareholders, who will be present in the AGM through VC/OAVM and have not cast their vote through remote e-voting and are otherwise not barred from doing so are eligible to vote through e-voting at the AGM.
- b. However, members who have voted through remote e-voting will be eligible to attend the AGM.

- c. Members attending the AGM shall be counted for the purpose of reckoning the quorum under section 103 of the Act.
- d. Upon declaration by the Chairman about the commencement of e-voting at AGM, members shall click on the thumb sign on the left bottom corner of the video screen for voting at the AGM, which will take them to the 'Instapoll' page.
- e. Members may click on the 'Instapoll' icon to reach the resolution page and follow the instructions to vote on the resolution(s).

INSTRUCTIONS FOR MEMBERS FOR ATTENDING/JOINING THE AGM:

- a. Members will be able to attend the AGM through VC/OAVM or view the live webcast of AGM provided by KFin at <https://emeetings.kfintech.com/> by clicking on the tab 'Video Conference' and using their remote e-voting login credentials. The link for AGM will be available in member login, where the EVENT and the name of the Company can be selected. Members who do not have User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned under heading A above.
- b. Members are encouraged to join the meeting through Laptops with Google Chrome for better experience.
- c. Further, members will be required to allow camera, if any, and hence use internet with a good speed to avoid any disturbance during the meeting.
- d. Members may join the meeting using earphones for better sound clarity.
- e. While all efforts would be made to make the VC/OAVM meeting smooth, participants connecting through mobile devices, tablets, laptops, etc. may, at times, experience audio/video loss due to fluctuation in their respective networks. Use of a stable Wi-Fi or LAN connection can mitigate some of the technical glitches.
- f. Members, who would like to express their views or ask questions during the AGM will have to register themselves as a speaker by visiting the URL <https://emeetings.kfintech.com/> and clicking on the tab 'Speaker Registration' during the period starting from September 25, 2021 (from 09.00 a.m.) to September 27, 2021 (upto 5.00 p.m.). Only those members who have registered themselves as a speaker will be allowed to express their views/ask questions during the AGM.

The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Please note that only questions of the members holding the shares as on cut-off date will be considered.

- g. A video guide assisting the members attending AGM either as a speaker or participant is available for quick reference at <https://emeetings.kfintech.com/>.
- h. Members who need technical assistance before or during the Fourteenth AGM can contact KFin at emeetings@kfintech.com or helpline – call KFin on 1-800-309-4001 (toll free).

ANNEXURE TO NOTICE: EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

Item No. 3:

The present Statutory Auditors, M/s Chitresh Gupta & Associates, Chartered Accountants, Delhi, (Firm Registration No. 017079N) will hold the office as Statutory Auditors of the Company till the conclusion of ensuing 19th Annual General Meeting (AGM). As per provisions of the Companies Act, 2013, no listed company shall appoint or re-appoint an Audit firm as Auditors for more than two terms of five consecutive years. M/s Chitresh Gupta & Associates has been associated as Statutory Auditors for two consecutive terms and their second term expires at the ensuing 19th AGM of the Company. Therefore, they are not eligible for re-appointment for another term of 5 years.

M/s S.S. Kothari Mehta & Company, Chartered Accountants (Firm Registration No. 000756N) have given their consent for their appointment as Statutory Auditors of the Company and has issued certificate confirming that their appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Companies Act, 2013 ('the Act') and the rules made thereunder. Based on the recommendations of the Audit Committee and the Board of Directors, it is proposed to appoint M/s S.S. Kothari Mehta & Company, Chartered Accountants, as Statutory Auditors of the Company from the conclusion of this 19th Annual General Meeting till the conclusion of 24th Annual General Meeting of the Company.

M/s S.S. Kothari Mehta & Company (SSKM or the firm) is a chartered accountant firm having 15 partners. SSKM was established in 1953 by Late Sh. S S Kothari. Its main office is at New Delhi. Mr. K S Mehta is the managing partner of SSKM. The firm is ranked 7 by NSE in 2019 on the basis of the audit of the listed companies. The firm is empanelled with CAG, RBI, IRDA etc. The firm has clients of diversified size and diversified industries like real estate, manufacturing, hospitality, EPC, Power, white goods etc. The firm offers one stop services for all professional services.

Accordingly, consent of the shareholders is sought for passing an ordinary resolution for appointment of Auditors of the Company 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 resolution for their appointment.

Item No. 4:

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, 2022. Remuneration payable to M/s Amit Singhal & Associates, Cost Auditors of the Company for the financial year ended 31st March, 2022 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 14th August, 2021.

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 shareholders is sought for passing an ordinary resolution for approval of remuneration payable to Cost Auditors as set out at Item No. 4 of the notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives is interested or concerned in the said resolution for their appointment.

Item No. 5 & 6:

The Board of Directors of the Company at its meeting held on March 31, 2021 has approved appointment and remuneration of Mr. Vishal Gupta as Managing Director-Finance and Mr. Vikas Gupta as Managing Director-Operations of the Company for a period of three (3) years with effect from April 01, 2021. The appointment was based on recommendations of the Nomination and Remuneration Committee. Before their appointment as Managing Directors, Mr. Vishal Gupta and Mr. Vikas Gupta were whole Time Directors of the Company.

Details of Qualification, experiences etc. are provided below:

Particulars	Vishal Gupta	Vikas Gupta
Date of Birth	25/09/1972	25/09/1972
Date of first appointment on the Board	01/05/2010	01/05/2010
Qualification	He holds Master degree in Business Administration from the University of Pune in 1995 and B.Com (Hons.) from Delhi University in 1993	He holds Master degree in Business Administration from the University of Pune in 1995 and B.Com (Hons.) from Delhi University in 1993
Industrial Experience	He started his career with Astrotech International, one of our Promoter Group Companies, in the year 1995. There, he was responsible for overseeing the financial, commercial and marketing aspects of the company. Later, in the year 2000, he joined Bigesto Technologies Limited (formerly Bigesto Foods Private Limited) as a Director, responsible for financial, accounting and commercial aspects of the business.	He started his career with PG Electronic Components Private Limited, one of our erstwhile Promoter Group Companies, in the year 1995. There, he was responsible for overseeing the production / manufacturing of PCB assemblies and electronic TV components. Later, in the year 1999, he joined Bigesto Technologies Limited (formerly Bigesto Foods Private Limited) as a Director, responsible for manufacturing and marketing operations of the company.
Association with the Company & Job Profile	He joined our Company as Executive Director – Finance in the year 2010. Mr. Vishal Gupta directs annual budgeting and planning process of the organization, Oversee monthly and quarterly assessments and forecasts of organization's financial performance, monitoring cash flows, provide financial and human resources advice and guidance to senior members of team to ensure compliance of accounts, finance, internal control process, human resource, payroll, personnel & administration and all other corporate law related matters.	He joined our Company as Executive Director – Operations in the year 2010. Mr. Vikas Gupta duty is to ensure functions that the company continues to get good order book position and niche clients remain our client strength. He also explores viable new business models and dimensions where the company can create and develop business opportunities, Managing and increasing the operational efficiencies with right product mix to generate more cash flows and increased operating margins to achieve organizational growth and objectives.
No. of share held in the Company	49,86,474 (23.87% of paid up capital)	50,08,531 (23.98% of paid up capital)
Details of other Directorship	<ul style="list-style-type: none"> - P.G.Appliances Private Limited - Sharadha Realtech Private Limited - Vrinda Infotech Private Limited - PG Infotel Private Limited - PG Technoplast Private Limited - PG Plastronics Private Limited 	<ul style="list-style-type: none"> - P.G.Appliances Private Limited - PG Infotel Private Limited - Sharadha Realtech Private Limited - Bigesto Technologies Ltd - PG Technoplast Private Limited - PG Plastronics Private Limited - Consumer Electronics And Appliances Manufacturers Association

For other details such as number of board meetings attended during the year, remuneration drawn, membership in committee etc., in respect of above directors, please refer to the corporate governance report which is a part of the Annual Report.

Mr. Vishal Gupta and Mr. Vikas Gupta are relatives (brothers) of Mr. Anurag Gupta, Chairman-Executive Director of the Company and have no inter-se relationship between other members of the Board and Key Managerial Personnel of the Company.

Aforementioned persons satisfy all the conditions stated in the Part I of the Schedule V to the Companies Act, 2013.

The terms of above said appointment and remuneration of Mr. Vishal Gupta & Mr. Vikas Gupta are following:

Term: 3 (three) years, from 01st April, 2021 to 31st March, 2024

Salary, Allowances and Perquisites (“Remuneration”):

- a) Salary, Perquisites and Allowances per annum:

Salary	Basic Salary: Rs. 5,58,884/- per month with increments as may be decided by the Board of Directors from time to time subject to ceiling up to Rs. 8,00,000/- per month.
Perquisites and Allowances*, Bonus	Value of all kind of perquisite and allowances shall be Rs. 5,58,904/- per month with increments as may be decided by the Board of Directors from time to time subject to ceiling up to Rs. 7,00,000/- per month.
Provision of Annual increment	There shall be provision of annual increment with authority of the Board to fix/alter/enhance his salary from time to time within ceiling approved by shareholders by special resolution.
Due date of increment	As per company policy and approval of the Board.

*Perquisites and allowances, as aforesaid, shall include accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and / or allowances for utilisation of gas, electricity, water, furnishing and repairs, medical assistance, attendant allowance and leave travel concession for self and family including dependents and shall also include any other perquisites and allowances by whatever name called. The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment(s) thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

- b) The Company’s contribution to provident fund, superannuation or annuity fund, gratuity payable and encashment of leave, as per the rules of the Company, shall be in addition to the remuneration under (a) above.
- c) Increment in salary, perquisites and allowances and remuneration by way of incentive/ bonus / performance linked incentive, payable to Mr. Vishal Gupta and Mr. Vikas Gupta, respectively as per company policy and as may be determined by the Board and shall be within the remuneration under (a) above.
- d) It is clarified that employees stock options granted / to be granted to Mr. Vishal Gupta and Mr. Vikas Gupta, from time to time, shall not be considered as a part of perquisites under (a) above and that the perquisite value of stock options exercised shall be in addition to the remuneration under (a) above.
- e) Reimbursement of Expenses: Expenses incurred for travelling, board and lodging and attendant(s) during business trips and provision of car(s) for use on Company’s business and communication expenses at residence shall be reimbursed at actuals and not considered as perquisites.
- f) Minimum Remuneration: Notwithstanding anything to the contrary herein contained where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay to Managing Director remuneration by way of salary, benefits, perquisites & allowances and Commission/performance Bonus as specified above within the limit prescribed in schedule V of the Companies Act 2013.
- (ii) The Managing Director shall adhere to the Company’s Code of Conduct and other code and policies.
- (iii) The appointment can be terminated by either of the parties by giving to the other requisite notice in writing or by payment of a sum equivalent to remuneration for the notice period or part as may be mutually agreed.
- (iv) The Managing Director shall not be paid any sitting fees for attending meetings of the Board or any Committee/s thereof.
- The above may also be treated as memorandum of the terms and conditions of the appointment of Mr. Vishal Gupta as Managing Director-Finance and Mr. Vikas Gupta as Managing Director-Operations as required under Section 190 of the Companies Act, 2013.
- The Board of Directors in their meeting held on March 31, 2021 appointed/designated Mr. Vishal Gupta and Mr. Vikas Gupta as Managing Director-Finance and Managing Director-Operations, respectively. In view of the provisions of Sections 196, 197, 203 of the Companies Act 2013, the Board based on the recommendation of Nomination & Remuneration Committee and considering benefits of their expertise, has recommended the resolution set out in Item No. 5 & 6 for approval of shareholders by way of special resolution.
- None of the Directors and their relatives except Mr. Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta are concerned or interested in the Resolution set out at Item Nos. 5 & 6 of the notice.

Other Terms and Conditions:

- (i) Subject to the supervision and control of the Board of Directors, Managing Director shall perform such duties and exercise such powers, authorities and discretions as the Board shall from time to time delegate to his on such terms and conditions and subject to such restrictions as the Board may from time to time impose. For day to day functioning, Managing Director shall work under the overall supervision and direction of the Board of Directors. Managing Director shall act in accordance with the Articles of Association of the Company, Companies Act, 2013 and SEBI Listing Regulations and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.

Statement as per Section II of Part II of Schedule V of the Companies Act, 2013:**General Information:**

- 1) Nature of Industry: The Company operates in consumer durables. The Company is an electronic manufacturing services (EMS) provider for original equipment manufacturers (OEMs) of consumer electronic products in India. The Company is engaged in the manufacturing of consumer durables which comprise mainly of:
- Molding division: Parts of Air-Conditioners, Air Coolers, Washing Machines, Refrigerators, ceiling fan parts, Automobile parts, Sanitary ware products, etc.;

- Electronics Division: Printed circuit board assemblies for LED TVs, Set Top boxes, energy meters, etc.;
 - Complete products: Assembly and manufacturing of Set Top boxes, Washing Machines, Air Conditioners, Air-Coolers and LED TVs etc.
 - PU Paint Shop: Automated painting line to attend to all kinds of painting related needs;
 - Thermoset - (UF) Toilet Seats manufacturing facility: Scratch resistant toilet seats having high aesthetic value, and
 - Tooling Division: Design & development of moulds for various products.
- 2) Commencement of business: The Company started its operation on 05th October, 2003.
 - 3) Financial Performance: During the year under review, your company recorded revenue of Rs 70,582.78 lakh in FY 2020-21 including other income as compared to Rs 64,188.56 lakh in FY 2019-20, a growth of 10%. The Company has recorded consistent growth in the year ended March 2021. Depreciation increased by 10.4% to Rs 1,801.23 lakh in FY 2020-21 as compared to Rs 1,631.03 lakh in FY 2019-20. Interest expense increased by 25% to Rs 1843.58 lakh in FY 2020-21 from 1,475.45 lakh in FY 2019-20. This is mainly attributed to increase in average borrowings during the year.
 - 4) Foreign Investment/Collaborations: NIL

Information about appointee:

- 1) Back Ground details, job profile, suitability, recognitions: Refer to explanatory statement.
- 2) Last Drawn Remuneration: Mr. Vishal Gupta - Rs. 11,17,788/- per month (Gross Salary) in capacity of Whole Time Director and Mr. Vikas Gupta - Rs. 11,17,788/- per month (Gross Salary) in capacity of Whole Time Directors.
- 3) Proposed remuneration: As mentioned in the Explanatory Statement.
- 4) Comparative remuneration profile: There are no set standards of remuneration of MD in this industry. However, the proposed remuneration commensurate with duties & responsibilities assigned to him and near to remunerations being offered in other companies to managerial persons.
- 5) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel: Mr. Vishal Gupta and Mr. Vikas Gupta are Promoter Directors of the Company and are relatives (brother) of Mr. Anurag Gupta, Chairman of the Company.

Other Information:

Reason for inadequate profit & step taken/proposed to be taken for improvement: The Company has incurred Rs. 3,923.31 lakh on capital

expenditure which includes new addition to the fleet of injection moulding machines, Pick & place machine, new ODM model based moulds of Washing machines. The Company increased covered area of existing factories by constructing new buildings/floors. The company recorded its highest-ever revenue, operating profit and net profits this year. The company also recorded its highest-ever quarterly sales of INR 330 crores in Q4 of FY21, which was an 80% increase from its next best performance, INR 184 crores, which it also had achieved only in Q3 of this financial year. However, the business operations of the company were impacted due to Covid-19. In FY21, the company made its first foray into Fully Automatic Top Loading Washing Machines. The Company ramped up Design shop and Tool room capacity, which places the Company at a significant competitive advantage. The company's Roorkee plant has been upgraded and has come back online as a dedicated Washing Machine manufacturing facility. Clients' engagements are expanding for products categories like AC's, Washing Machines and Refrigerator.

Expected increase in productivity and profits in measurable terms: The business operations of the company were impacted due to Covid-19. The profit margin is expected to increase in coming years.

Item No. 7 to 10:

The Board of Directors on recommendation of Nomination & Remuneration Committee has appointed:

- Mr. Kishore Kumar Kaul (DIN:07339035) as an Additional Director (Non-Executive Independent Director) w.e.f. 26/01/2021.
- Mr. Ram Dayal Modi (DIN:03047117) as an Additional Director (Non-Executive Independent Director) w.e.f. 26/05/2021.
- Ms. Mitali Chitre (DIN:09040978) as Nominee Director (Non-Executive Director) nominated by Baring Private Equity India AIF w.e.f. 02/07/2021.
- Ms. Ruchika Bansal (DIN: 06505221) as Additional Director (Non-Executive Independent Director) w.e.f. 14/08/2021.

The tenure of Mr. Kishore Kumar Kaul, Mr. Ram Dayal Modi and Ms. Ruchika Bansal as Additional Director of the Company is expiring at the date of ensuing Annual General Meeting (AGM). The Company has received declarations from them to the effect that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2021 read with the Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with other disclosures. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge their duties.

Pursuant to the Investment agreement dated May 25, 2021, the Company has received a Nomination Letter from Baring Private Equity India AIF dated June 30, 2021 for appointment of Ms. Mitali Chitre (DIN:09040978) as Nominee Director (Non-Executive Director) of the Company. The Company received the consent letter of Ms. Mitali Chitre, disclosure of non-disqualification along with other disclosure and declaration for her appointment as Nominee Director.

Relevant information for appointment as Directors:

Particulars	Mr. Kishore Kumar Kaul	Mr. Ram Dayal Modi	Ms. Mitali Chitre	Ms. Ruchika Bansal
Date of Birth	26/12/1959	30/06/1951	19/02/1983	26/07/1980
Education Qualification	Bachelor's degree in Science from University of Delhi and PG Diploma in Material Management from Bhartiya Vidya Bhawan, delhi	Gold medalist in MA (Political Science), University of Udaipur, Rajasthan and holds Certified Associate of Indian Institute of Bankers (Part I).	Bachelor's degree in Electronics Engineering from Mumbai University and MBA from Cardiff Business School, U.K.	Commerce graduate from SRCC (Delhi University) and Post Graduate Diploma in management from MDI, Gurgaon.
Area of Expertise	He has 36 years of experience spread across both in operations and senior management roles within industry. He possesses excellent hold on Manufacturing Planning, Warehouse Network Management, Inventory management, etc. He is an expert in EMS manufacturing set up and management.	He has over four decades of rich experience in Banking & Financial services of SBI Group. He has expertise in areas of Credit, FOREX, Project Appraisal & funding, Business Planning, Branch Expansion, Training system, Operations & Branch Banking, etc.	She is a Principal at Baring Private Equity Partners India and has been with the organization since 2007. She has 15+ years of investment experience & leads deals across consumer durables, capital goods, building materials, logistics and energy sectors. She serves as the Chief Economist for Baring and heads the Deal Origination practice.	She is a management consultant with over 18 years' experience, specializing in wealth advisory, investment banking, private equity, Corporate finance, business strategy and specializes in the areas of mergers & acquisitions and private equity syndication.
Date of Appointment on the Board	26/01/2021	26/05/2021	02/07/2021	14/08/2021
Category of Director	Independent Director (Non-Executive)	Independent Director (Non-Executive)	Nominee Director (Non-Executive)	Independent Director (Non-Executive)
Names of other Directorships in other Companies	Nil	MBL Infrastructures Ltd.	Infrasoft Technologies Ltd.	Globus Spirits Limited Tarvos Consulting Services Private Limited
Membership/ Chairmanship of Committees of other Companies	Nil	MBL Infrastructures Ltd. : - Stakeholders Relationship Committee: Member - Nomination & remuneration Committee: Member - Audit Committee: Member	Nil	Nil
Number of shares held in the Company	Nil	Nil	600	Nil

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In the opinion of the Board, Mr. Kishore Kumar Kaul, Mr. Ram Dayal Modi, and Ms. Ruchika Bansal fulfills the conditions for appointment as Independent Director as specified in the Companies Act 2013 and the regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Kishore Kumar Kaul, Mr. Ram Dayal Modi and Ms. Ruchika Bansal are independent of the management and possess appropriate skills, experience and knowledge. In the opinion of the Board, Ms. Mitali Chitre possesses appropriate skills, experience and knowledge.

The Board based on the recommendation of Nomination & Remuneration Committee and considering benefits of their expertise, has recommended the resolutions set out in Item No. 7 to 10 for approval of shareholders by way of ordinary resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives are interested except Mr. Kishore Kumar Kaul in resolution set out in Item No. 7, Mr. Ram Dayal Modi in resolution set out in Item No. 8, Ms. Mitali Chitre in resolution set out in Item No. 9 and Ms. Ruchika Bansal in resolution set out in Item No. 10.

By Order of Board of Directors
of **PG Electroplast Limited**

(Sanchay Dubey)

Company Secretary
Membership No. A51305

Date: 14/08/2021
Place: Greater Noida

Details of Mr. Vishal Gupta seeking re-appointment as Director of the Company at the Annual General Meeting is mentioned in Item No. 5 of explanatory statement.



PG ELECTROPLAST LIMITED

(CIN: L32109DL2003PLC119416)

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Email: investors@pgel.in/info@pgel.in

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Corporate Office: P-4/2 to 4/6, Site-B, UPSIDC Industrial Area,
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