

PG ELECTROPLAST LIMITED



<http://www.pgel.in>



15th Annual Report
2016-2017

PG Electroplast Limited (CIN: L32109DL2003PLC119416)**Registered Office** : DTJ209,

DLF Tower B - Jasola,

New Delhi - 110025

Email: investors@pgel.in / info@pgel.in**Telephone No:** 91 - 011 - 41421439**Corporate Office** : P-4/2 to 4/6,

Site B, UPSIDC Industrial Area,

Surajpur, Greater Noida, U.P. - 201306

Website: www.pgel.in**Tel.:** 91 - 120 - 2569323**Fax No:** 91 - 120 - 2569131**Board of Directors:**

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

Management:

Name	Designation
Mr. Bhawa Nand Choudhary	Chief Operating Officer
Mr. K. A. Khandelwal	Chief Financial Officer
Mr. Rahul Kumar	Company Secretary

Statutory Auditors:

M/s Chitresh Gupta & Associates

Chartered Accountants

Banker:

State Bank of India

HDFC Bank

Registrars & Share Transfer Agent:

Karvy Computershare Pvt. Ltd.,

46, Avenue 4, Street No-1 Banjara Hills,

Hyderabad - 500034

Email: einward.ris@karvy.com

INDEX

Contents	Page	Content	Page
Notice of AGM	2-7	Balance Sheet	53
Board's Report	8-15	Statement of Profit and Loss	54
Corporate Governance	15-27	Cash Flow Statement	55
Management Discussion & Analysis	28-31	Significant Accounting Policies	56-59
Remuneration Policy	32-34	Notes Forming Part of the Financial Statements	60-77
Secretarial Audit Report	34-37		
Other Annexure of Board's Report	37-44	Proxy Form	79
Auditors Report	45-51	Attendance Slip	80

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Tel No: +91 -120-2569323

Email: investors@pgel.in

Fax No: +91 -120-2569131

NOTICE OF THE 15TH ANNUAL GENERAL MEETINGWebsite: www.pgel.in

NOTICE is hereby given that the 15th ANNUAL GENERAL MEETING of the shareholders of PG ELECTROPLAST LIMITED (the "Company") will be held on Tuesday, 26th day of September, 2017 at 11:30 A.M at Auditorium, Ghalib Institute, Aiwan-E-Ghalib Marg, New Delhi-110002 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2017, the report of the Board of Directors and Auditors thereon.
2. To re-appoint Mr. Anurag Gupta (DIN- 00184361) 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 Chitresh Gupta & Associates, Chartered Accountants, Delhi, (Firm Registration No. 017079N); be and are hereby appointed as Statutory Auditors of the Company from the conclusion of this 15th Annual General Meeting till the conclusion of 19th Annual General Meeting of the Company (subject to ratification of the appointment at every Annual General Meeting, if required by Law for the time being in force), on such remuneration as shall be fixed by the Board of Directors of the company."

SPECIAL BUSINESS:

4. **TO APPROVE/RATIFY REMUNERATION OF THE COST AUDITORS FOR THE FINANCIAL YEAR ENDING ON 31ST MARCH, 2018** 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(3) 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. 3,00,000/- (Rupees Three Lakh Only) plus applicable taxes and reimbursement of out of pocket expenses to be paid to M/s Amit Singhal & Associates, (Firm Registration No. 101073), Cost Accountants, to conduct audit of the cost accounting records of the Company, for the financial year ending 31st March, 2018, as approved by the Board of Directors on recommendation of the

Audit Committee of the Company,."

Date: 26/08/2017

Place: Greater Noida

By Order of Board of Directors
Of PG Electroplast Limited

(Rahul Kumar)

Company Secretary
Membership No. A32729

NOTES:

1. Appointment of Proxy

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS ENCLOSED WITH THIS NOTICE.

2. Restriction for appointing proxy

A MEMBER CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINTS A SINGLED PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY OF ANY OTHER PERSON OR SHAREHOLDERS.

3. Appointment of Representative

Corporate Members intending to send their authorized representatives to attend the Annual General Meeting are requested to send a duly certified copy of their Board Resolution authorizing their representative to attend and vote at the Annual General Meeting along with specimen signature.

4. Appointment of Statutory Auditors

The present Statutory Auditors of the Company, M/s Chitresh Gupta & Associates, Chartered Accountants, Delhi, having Firm Registration No. 017079N, were appointed as the Statutory Auditors in Casual Vacancy for the Financial Year 2011-12. After that they were appointed as Statutory Auditors at respective Annual General Meetings(AGM). At the 12th AGM held on 11th August 2014, they were appointed again to hold the office from the conclusion of 12th Annual General Meeting till the conclusion of 15th Annual General Meeting of the Company to be held in the year 2017 and this appointment had been duly ratified by the Share holders of the Company at AGMs held in subsequent years. Accordingly M/s Chitresh Gupta & Associates, Chartered Accountants hold office till the conclusion of ensuing Annual General Meeting of the Company.

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 Auditors for last six financial years. Thus the Board proposes the appointment of M/s Chitresh Gupta & Associates as the Company's Statutory Auditors for a further period of four years to hold office

from 15th AGM to 19th AGM, which shall be held in year 2021 (subject to ratification by members at every subsequent AGMs, if required under prevailing Laws at that time).

5. Attendance slip

Members/proxies are requested to produce the Attendance Slip duly signed as per the specimen signature recorded with the Company/Depository Participant for admission to the meeting hall. Members, who hold shares in de-materialized form, are requested to bring their DPI.D. and Client I.D

No(s) for easier identification of attendance at the meeting. Attendance slip and proxy slip are annexed hereto.

6. Explanatory Statement:

The Explanatory Statements with respect to special business to be transacted at the meeting are annexed hereto.

7. E Voting

The Company is pleased to provide e-voting facility to enable Shareholders to exercise their right to vote electronically through website <https://evoting.karvy.com>, from a place other than place of the meeting. The Company has appointed Karvy Computershare Pvt Ltd. as e-voting agency. **The remote e-voting shall start on 22/09/2017 at 10:00 A.M. & close on 25/09/2017 at 5:00 PM.** Remote E-voting shall not be allowed beyond the said time & date.

The E-Voting event number, User-ID and password along with instructions for e-voting are provided in notice of E-Voting, being sent along with the Notice of this Annual General Meeting. Already registered users on website "<https://evoting.karvy.com>" may use existing log-in credentials.

8. Cut-off date for voting Rights:

During the period when facility for remote e-voting is provided, the member of the Company, holding shares either in physical form or dematerialized form, as on 20/09/2017 may opt for remote e-voting. Once the vote on resolution is cast by the member, he shall not be allowed to change it subsequently or cast vote again.

9. Voting at the meeting:

The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.

The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again. In case of joint holders attending the meeting, only such joint holder, who is higher in the order of name, will be entitled to vote.

10. Scrutinizers

The Company has appointed M/s RSJ Associates, Practicing Company Secretary as Scrutinizers to scrutinize the voting as well as remote e-voting process in a transparent manner.

The Scrutinizer shall immediately after conclusion of voting at AGM, first count the vote thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. He shall handover Scrutinizer's Report to the Chairman or to any other person authorized by the Chairman in this regard.

11. Instructions for E Voting:

- i. Use the following URL for e-voting: <https://evoting.karvy.com>
- ii. Enter the login credentials, i.e., user id and password mentioned in your email/notice. Your Folio No/DP ID Client ID will be your user ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and Password for casting your votes.
- iii. After entering the details appropriately, click on LOGIN.
- iv. You will reach the Password change menu, wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$,etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ii. You need to login again with the new credentials.
- iii. On successful login, the system will prompt you to select the EVENT, i.e., PG Electroplast Limited.
- iv. On the voting page, the number of shares (which represents the number of votes) as held by the member as on the cutoff date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, then enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR'/'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.
- v. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- vi. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.
- vii. Corporate/Institutional Members (i.e., other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board resolution/authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the scrutinizer through e-mail:csvishalrai@gmail.com. They may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'Corporate Name_EVENT No.'
- viii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and e-voting User Manual available at the 'download' section of <https://evoting.karvy.com> or call Karvy Computershare Pvt. Ltd. on 1800 345 4001 (toll free).

12. Login ID and Password to access E voting Facility

Any person who acquires shares of the Company after dispatch of this Notice and holds shares as on the

cut-off date i.e., as on 20/09/2017, may obtain login ID and password by sending a request to evoting@karvy.com with a copy investors@pgel.in by mentioning her / his folio number or DP ID and Client ID. Alternatively they may contact at toll free Number of Our E voting Agency provided at their website.

If the member is already registered with Karvy for E-voting, he can use his existing user ID & password for casting the vote through remote E Voting.

13. Results of Voting

The results of remote e-voting and poll at Annual General Meeting and consolidated result will be announces on 27/09/2017 and the resolutions proposed thereat will be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes. Scrutinizer's report along with consolidated results shall be placed on website of the company www.pgel.in & website of e-voting agency <https://evoting.karvy.com> and communicated to the Stock Exchanges i.e. National Stock Exchange of India Ltd. and BSE Ltd.

14. Annual report:

Electronic copy of Annual Report for year 2016-17 and Notice of the Annual General Meeting of the Company are being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent in the permitted mode.

15. Closure of Register of Member:

The Register of Members and Share Transfer Books shall remain closed from 20/09/2017 to 26/09/2017 (both days inclusive) for the purpose of Annual General Meeting.

16. Dividend: The Board of Directors of the Company has not recommended any dividend.

17. Registration of E-mail id for correspondence:

Members, who have not registered their e-mail address so far, are requested to register their e-mail for receiving all communication including annual report, notices, circulars etc. through email.

Members holding shares in D-mat form may intimate the e-mail to their depository participants & Members holding shares in physical form are requested to address all correspondence concerning the registration of transfers, transmission, sub-division, consolidation of shares or any other related matters and/or any change in address or updation thereof to the Company/RTA-Karvy Computershare Pvt. Ltd.

18. Availability of Annual Report & Notice on website

Members may also note that the Notice of the 15th Annual General Meeting and the Annual Report for 2016-17 will also be available on the Company's website www.pgel.in. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in New Delhi for inspection during (01.00 PM to 3.30 PM) on Monday to Friday. For any communication, the shareholders may also send requests to the Company's investor email id: investors@pgel.in. The notice will also be available on E-

Voting Agency website <https://evoting.karvy.com>.

19. Inspection

The Register of Directors' & Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 & the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection at the venue of AGM.

20. Members desiring any information as regards to the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting.

21. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to RTA-Karvy Computershare Pvt. Ltd.

22. Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares for ease of portfolio management.

ANNEXURE TO NOTICE: EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:**Item No. 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, 2018. Remuneration payable to M/s Amit Singhal & Associates, Cost Auditors of the Company for the financial year ended 31st March, 2018, 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 26th August 2017.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the shareholders of the Company. Accordingly consent of the members is sought for passing an ordinary resolution for approval of remuneration payable to Cost Auditors as set out at item no.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 respective resolution for their appointment.

Date: 26/08/2017
Place: Greater Noida

**By Order of Board of Directors
of PG Electroplast Limited**

(Rahul Kumar)
Company Secretary
Membership No.-A32729

Directors' Report**DEAR MEMBERS,**

Your Directors have pleasure in presenting the 15th Annual Report on the business and operations of the Company together with the Audited Financial Statements for the year ended March 31, 2017.

1. Financial Highlights:

The financial statements of the Company have been prepared in accordance with the Accounting Standards read with Companies (Accounts) Rules, 2006.

(Rupees in Lakh)

	FY 2016- 17	FY 2015 - 16
Revenue from operations (net)	36,709.61	26,025.03
Other income	233.20	314.17
Profit After tax	372.47	190.56
EPS	2.27	1.16
Total Cash & cash Equivalent	422.45	56.87
Free Cash Flow per share	2.57	0.35

2. PERFORMANCE OVERVIEW:

Growth in the finished goods like set top Box, Air Cooler and Plastic part of AC, Refrigerators, Washing machines, Automotive, Bathroom Fittings continued this year also. Performance of some new manufacturing facilities started by the Company during the year like mobile hand set, Ceiling Fan parts has also been encouraging. However there was a decline in the sales of Kitchen appliances and Solar Lamps. The combined effect of these factors was that Earnings before Depreciation/amortization expense & Finance Cost rose up by 12.87% as compared to previous year.

Compared to the previous year, Depreciation and amortization (including losses on disposals) increased by 5.81% to Rs. 10.28 Crore, reflecting higher capital expenditure over the last year. Cost of Raw Material & Components consumed increased by 43.51% proportionate to hike in Revenue from Operations by 41.56%. Other Income has decreased by 25.77% and other expenditure increased by 28.73%.

3. PROJECTS & EXPANSION PLAN:

During the year the Company has incurred Rs. 41.47 crores on capital expenditures. We have installed several new injection moulding machines in our factories and increased covered area of existing factories by constructing new buildings/floors. However operations at Roorkee unit have now been transferred to Unit I.

4. DIVIDEND:

The Board of Directors have not recommended any dividend because of the carried over previous losses.

5. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

During the reporting year, Mr. Promod Gupta (managing Director), Mr. Anurag Gupta (Whole Time Director), Mr. Vikas Gupta (Whole Time Director) and Mr. Vishal Gupta (Whole Time Director) have been re-appointed for another term of term of three years with effect from 15th July 2016. There has been no other change in composition of Board of Directors during the year.

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

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

There were no changes in the Key Managerial Personnel of the Company during the year.

MEETINGS OF BOARD OF DIRECTORS, AUDIT COMMITTEE ETC.

For details of the Meetings of the Board and its Committees, please refer to the Report on Corporate Governance, which forms part of this Report as Annexure I.

6. BOARD EVALUATION AND FAMILIARIZATION PROGRAMME:

The Board has carried out the annual performance evaluation of its own performance, 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 manner in which the evaluation has been carried out has been provided in the Corporate Governance Report.

The details of programme for familiarization of Independent Directors of your Company are available at webpage <http://www.pg-el.in/investor.aspx>.

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

Corporate Governance Report and Management Discussion & Analysis Report as stipulated under SEBI(Listing Obligation & Disclosure Requirements) 2015, which forms integral part of this report, are presented as Annexure I & II respectively. Compliance certificate on corporate Governance, issued by M/s RSJ Associates, Practicing Company Secretary also forms a part of the said Corporate Governance Report.

8. REMUNERATION POLICY:

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

9. DIRECTORS RESPONSIBILITY STATEMENT:

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