



# Developing Capabilities for Lasting Transformation

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## CAUTION REGARDING FORWARD LOOKING STATEMENTS

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

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



# Developing Capabilities for Lasting Transformation

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

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

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

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



# Building new Capabilities



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

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





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

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

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



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



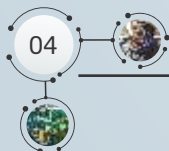
Various Manufacturing Divisions

- Plastic Molding
- PU Paint Shop
- Tooling
- Mobile Phones
- Set Top Boxes
- Washing Machine
- Air Cooler

# Transforming to create unique Positioning

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

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



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



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



# Transformation through Strategic Execution

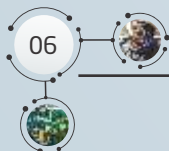
A brilliant strategy, popular product, or breakthrough technology can put you on the competitive map, but you have to be able to deliver on your promise. The key to this is solid execution of strategies to help you leverage your optimum potential.

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

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



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







# Our Corporate Identity

## ABOUT US

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

## OUR BUSINESS

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

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

