



# **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

**February 14, 2024**

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**

**Sub: Monitoring Agency Report for the quarter ended December 31, 2023**

Dear Sir/Madam,

Pursuant to the Regulation 32(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 173A of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, please find attached Monitoring Agency Report for the quarter ended December 31, 2023 issued by CRISIL Ratings Limited, Monitoring Agency towards utilisation of the proceeds raised through Qualified Institutions Placement.

This is for your information and record please.

Thanking you,

For **PG Electroplast Limited**

**(Sanchay Dubey)**  
**Company Secretary**

**Monitoring Agency Report  
for PG Electroplast Limited  
for the quarter ended  
December 31, 2023**

CRL/MAR/PGEPL/2023-24/1082

February 14, 2024

To

**PG Electroplast Limited**

DTJ-209, 2nd Floor, DLF Tower B-Jasola,  
Plot 11, Non-Hierarchical Commercial Centre,  
Jasola, New Delhi - 110 025

Dear Sir,

**Monitoring Agency Report for the quarter ended December 31, 2023 - in relation to the Qualified Institutional Placement ("QIP") of PG Electroplast Limited ("the Company")**

Pursuant to Regulation 173A of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") and Monitoring Agency Agreement dated August 28, 2023 enclosed herewith the Monitoring Agency Report, issued by CRISIL Ratings Limited, Monitoring Agency, as per Schedule XI of the SEBI ICDR Regulations towards utilization of proceeds of QIP for the quarter ended December 31, 2023.

Request you to kindly take the same on records.

Thanking you,

**For and on behalf of CRISIL Ratings Limited**



**Sushant Sarode**

**Director, Ratings (LCG)**

## Report of the Monitoring Agency (MA)

**Name of the issuer:** PG Electroplast Limited

**For quarter ended:** December 31, 2023

**Name of the Monitoring Agency:** CRISIL Ratings Limited

(a) Deviation from the objects: Not applicable

(b) Range of Deviation: Not applicable

**Declaration:**

*We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.*

*The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit-related analyses. We confirm that we do not perceive any conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer.*

*We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.*

**Signature:** 

**Name and designation of the Authorized Signatory:** Sushant Sarode

**Designation of Authorized person/Signing Authority:** Director, Ratings (LCG)

## 1) Issuer Details:

**Name of the issuer:** PG Electroplast Limited

**Names of the promoter:**  
a. Vishal Gupta  
b. Vikas Gupta  
c. Anurag Gupta

**Industry/sector to which it belongs:** Consumer Electronics

## 2) Issue Details

**Issue Period:** Monday, August 28, 2023 to Friday, September 1, 2023

**Type of issue (public/rights):** Qualified Institutional Placement (QIP)

**Type of specified securities:** Equity Shares

**QIP Grading, if any:** NA

**Issue size:** Rs 5,000.00 million (Net proceeds: Rs 4,850.00 million) \*

*\*CRISIL Ratings shall be monitoring the net proceeds amount.*

### 3) Details of the arrangement made to ensure the monitoring of issue proceeds:

Particulars	Reply	Source of information/certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	Yes	Management undertaking, Statutory Auditor certificate <sup>^</sup> , Final Offer Document, Bank Statements	No Comments	No Comments
Whether shareholder approval has been obtained in case of material deviations from expenditures disclosed in the Offer Document?	NA	Management undertaking	No Comments	No Comments
Whether the means of finance for the disclosed objects of the issue has changed?	No		No Comments	No Comments
Is there any major deviation observed over the earlier monitoring agency reports?	No		No Comments	No Comments
Whether all Government/statutory approvals related to the object(s) have been obtained?	NA		No Comments	No Comments
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Yes		Architectural assistance taken for building plan and other related work	No Comments
Are there any favorable events improving the viability of these object(s)?	NA		No Comments	No Comments
Are there any unfavorable events affecting the viability of the object(s)?	NA		No Comments	No Comments
Is there any other relevant information that may materially affect the decision making of the investors?	NA		No Comments	No Comments

NA represents Not Applicable

<sup>^</sup>Certificate dated February 03, 2024, issued by M/s S. S. Kothari Mehta & Co., Chartered Accountants (Firm Registration Number: 000756N), Statutory Auditors of the Company.

#### 4) Details of object(s) to be monitored:

##### i. Cost of the object(s):

Sr. No.	Item Head	Source of information/certification considered by MA for preparation of report	Original cost (as per the Offer Document) (Rs in million)	Revised Cost (Rs in million)	Comment of the MA	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
1a	Funding the working capital requirements its Subsidiary, PG Technoplast	Management undertaking, Final offer document	2375.00	NA	No comments	No Comments	No Comments	No Comments
1b	Funding the capital expenditure requirements of its Subsidiary, PG Technoplast, for expansion of its manufacturing and warehousing/ storage unit by constructing a new building		407.93	NA	No comments	No Comments	No Comments	No Comments
1c	Funding the capital expenditure requirements of its Subsidiary, PG Technoplast, for purchase of new equipment and machinery		652.12	NA	No comments	No Comments	No Comments	No Comments
2	Funding the capital expenditure requirements of the Company for purchase of new equipment and machinery		253.58	NA	No comments	No Comments	No Comments	No Comments

Sr. No.	Item Head	Source of information/certification considered by MA for preparation of report	Original cost (as per the Offer Document) (Rs in million)	Revised Cost (Rs in million)	Comment of the MA	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
3	General Corporate Purposes (GCP)#	Management undertaking, Final offer document	1,161.37	NA	No comments	No Comments	No Comments	No Comments
	<b>Total</b>	-	<b>4,850.00</b>	-	-	-	-	-

#The amount utilised for general corporate purposes does not exceed 25% of the Gross Proceeds (amounting to Rs 1250.00 million) from the Issue.

## ii. Progress in the object(s):

Sr. No.	Item Head#	Source of information/certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document (Rs in million)	Amount utilized (Rs in million)			Total unutilized amount (Rs in million)	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter	During the quarter	At the end of the quarter			Reasons for idle funds	Proposed course of action
1a	Funding the working capital requirements of Company's Subsidiary, PG Technoplast	Management undertaking,	2,375.00	1,080.00	1,110.07	2,190.07	184.93	No comments	No Comments	No Comments
1b	Funding the capital expenditure requirements of Company's Subsidiary, PG Technoplast, for expansion of its manufacturing and warehousing/ storage unit by constructing a new building	Statutory Auditor Certificate^, Final Offer Document, Bank Statements	407.93	20.67	114.31	134.98	272.95	No comments	No Comments	No Comments



# Ratings

Sr. No.	Item Head#	Source of information/certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document (Rs in million)	Amount utilized (Rs in million)			Total unutilized amount (Rs in million)	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter	During the quarter	At the end of the quarter			Reasons for idle funds	Proposed course of action
1c	Funding the capital expenditure requirements of Company's Subsidiary, PG Technoplast, for purchase of new equipment and	Management undertaking,	652.12	194.90	148.02	342.92	309.20	No comments	No Comments	No Comments
2	Funding the capital expenditure requirements of the Company for purchase of new equipment and machinery	Statutory Auditor Certificate^, Final Offer Document, Bank Statements	253.58	3.95	44.36	48.31	205.27	No comments	No Comments	No Comments
3	General Corporate Purposes (GCP)		1,161.37	880.00	231.37	1,111.37	50.00	No comments	No Comments	No Comments
	<b>Total</b>		<b>4,850.00</b>	<b>2,179.52</b>	<b>1,648.13</b>	<b>3,827.65</b>	<b>1,022.35</b>	-	-	-

^Certificate dated February 03, 2024, issued by M/s S. S. Kothari Mehta & Co., Chartered Accountants (Firm Registration Number: 000756N), Statutory Auditors of the Company.

**Note:**

The Company has transferred the entire net proceeds of Rs 4,850.00 million to its current account maintained with Yes bank from its QIP Escrow account. The proceeds of Rs 1,648.13 million from Company's current account were transferred to other current accounts of the Company maintained with HDFC bank and SBI bank, and to several current accounts of its Subsidiary, PG Technoplast Ltd maintained with HDFC bank, SBI bank and Yes bank. The proceeds were then utilized towards the objects of the issue through the above-mentioned current accounts of the Company and its Subsidiary. However, as at the end of the quarter the transferred proceeds of Rs 1,648.13 million have been fully utilized towards the objects of the issue and there is no balance in these current accounts.

Further, part of the net proceeds utilised during the quarter towards object 1(c) and object 2 are towards reimbursement of the Company's previous upfront payments made to overseas suppliers, related to purchase of new equipment and machinery.

#Brief description of objects:

Object of the Issue	Description of objects as per the offer document filed by the issuer
Funding the working capital requirements its Subsidiary, PG Technoplast	The company has significant working capital requirements in the ordinary course of business, which they typically fund through internal accruals and availing financing facilities from various banks and financial institutions. The Company, through their Subsidiary, PG Technoplast, require additional working capital to support its incremental business requirements and funding future growth opportunities.
Funding the capital expenditure requirements of its Subsidiary, PG Technoplast, for expansion of its manufacturing and warehousing/ storage unit by constructing a new building	Investment in their Subsidiary, PG Technoplast, to expand its unit situated at Plot no A-18, Supa Parner MIDC Industrial Area, Ahmednagar, Maharashtra, India ("Supa Unit") by construction of a new building. As of the date of the Placement Document, the Company's Subsidiary, PG Technoplast, manufactures air conditioners, plastic moulding, sheet metal, and printed circuit board assemblies at the Supa Unit.
Funding the capital expenditure requirements of its Subsidiary, PG Technoplast, for purchase of new equipment and machinery	As a part of their strategy to expand their capacity and offerings in existing product verticals and expansion of addressable market through development of new products, they intend to increase their Subsidiary, PG Technoplast's capacities in plastic moulding, electronics (PCB assemblies) and products (window ACs). The specific number and nature of such machinery to be purchased by the Subsidiary, PG Technoplast, will depend on its business requirements at the time of such purchase.
Funding the capital expenditure requirements of the Company for purchase of new equipment and machinery	As a part of their strategy to expand their capacity and offerings in existing product verticals and expansion of addressable market through development of new products, they intend to increase their capacities in plastic moulding, products (washing machines), electronics (LED TVs) and tool making. The specific number and nature of such equipment and machinery to be purchased by the Company, at their discretion, will depend on their business requirements at the time of such purchase.
General Corporate Purposes (GCP)	<p>General corporate purposes may include, but are not restricted to,</p> <ul style="list-style-type: none"> <li>(i) fund requirements which the Company or its Subsidiaries may face in the ordinary course of business</li> <li>(ii) repayment or pre-payment of borrowings</li> <li>(iii) meeting exigencies and expenses, logistic expenses, installation expenses, accessories, freight</li> <li>(iv) capital expenditure, strategic initiatives, partnerships, tie-ups, joint ventures and acquisitions</li> <li>(v) investment in subsidiaries</li> <li>(vi) funding working capital requirements of the company</li> <li>(vii) any other general purposes as may be permissible under applicable law</li> </ul> <p>The allocation or quantum of utilization of funds towards the specific purposes described above will be determined by Company's Board of Directors, based on their business requirements and other relevant considerations, from time to time. The Company's management shall have flexibility in utilising surplus amounts, if any, in accordance with applicable law.</p>

### iii. Deployment of unutilised proceeds^:

S. No.	Type of instrument where amount is invested	Amount invested (in million)	Maturity date	Earnings as on December 31, 2023 (in million)	Return on Investment (%)	Market value as at the end of quarter (in million)
1	Balance in Company's current account maintained with Yes Bank	22.35	-	-	-	22.35
2	Fixed Deposit*	1,000.00	-	17.00	7.65	1,017.00
	<b>Total</b>	<b>1,022.35</b>	-	-	-	<b>1,039.35</b>

\*Note: Fixed Deposit of Rs 1,000.00 million comprises of 10 fixed deposits of Rs 100.00 million each with different maturity dates, in the Company's current account maintained with Yes Bank.

^On the basis of management undertaking and certificate dated February 03, 2024, issued by M/s S. S. Kothari Mehta & Co., Chartered Accountants (Firm Registration Number: 000756N), Statutory Auditors of the Company.

### iv. Delay in implementation of the object(s)^:

Object(s)	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the Offer Document	Actual		Reason of delay	Proposed course of action
Not Applicable					

^On the basis of management undertaking.

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document ^:

S.no.	Item heads	Amount (Rs in million)	Remarks
1	Funding working capital requirement of the Company	67.27	Transferred to current account of the Company for utilization towards working capital
2	Prepayment of borrowings	164.10	Prepayment of outstanding loans from HDFC bank
	<b>Total</b>	<b>231.37*</b>	-

^On the basis of management undertaking.

\*Utilization towards GCP is approved by the Board of Directors of the Company vide resolution dated February 13, 2024.

## Disclaimers:

- a) *This Report is prepared by CRISIL Ratings Limited (hereinafter referred to as "Monitoring Agency" / "MA" / "CRL"). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever.*
- b) *This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/ consultants of the Issuer and third-party sources like statutory auditors (or from peer reviewed CA firms) appointed by the Issuer believed by it to be accurate and reliable.*
- c) *Nothing contained in this Report is capable or intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The MA is also not responsible for any errors in transmission and specifically states that it, or its directors, employees do not have any financial liabilities whatsoever to the users of this Report.*
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- e) *The MA or its affiliates may have other commercial transactions with the entity to which the report pertains. As an example, the MA may rate the issuer or any debt instruments / facilities issued or proposed to be issued by the issuer that is subject matter of this report. The MA may receive separate compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.*
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