



PGIL

P G INDUSTRY LIMITED

**ANNUAL REPORT
2018-2019**

P G INDUSTRY LIMITED

Regd. Off: A – 30, S – 11, Second Floor, Kailash Colony, New Delhi – 110048

CIN: L74899DL1993PLC056421

S. No.	CONTENTS	Page No.
1.	Board of Directors/ KMP/ Senior Management Team	1
2.	Notice & Notes	3
3.	Board's Report	34
4.	C.E.O. & C.F.O. Certification	52
5.	Auditors' Report & its Annexure	53
6.	Annual Accounts (Balance Sheet, Statement of Profit & Loss)	62
7.	Cash Flow Statement	64
8.	Statement of changes in Equity	66
9.	Notes to the Balance Sheet and Statement of Profit & Loss	67
10.	Attendance Slip	81
11.	Proxy Form	83
12.	Route Map	85

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P G INDUSTRY LIMITED

Regd. Off: A – 30, S – 11, Second Floor, Kailash Colony, New Delhi – 110048

CIN: L74899DL1993PLC056421

BOARD OF DIRECTORS

- Shri Saket Dalmia
- Shri Amit Dalmia
- Shri Pradip Asopa
 - Shri Anil Kumar
- Smt. Usha Sharma

AUDIT COMMITTEE

- Shri Pradip Asopa (Chairman)
 - Smt. Usha Sharma
 - Shri Anil Kumar

STAKEHOLDERS RELATIONSHIP COMMITTEE

- Shri Anil Kumar (Chairman)
 - Shri Amit Dalmia
 - Shri Pradip Asopa

NOMINATION AND REMUNERATION COMMITTEE

- Shri Pradip Asopa (Chairman)
 - Shri Anil Kumar
 - Smt. Usha Sharma

CHIEF FINANCIAL OFFICER

Shri Sandeep Kumar

COMPANY SECRETARY

Shri Davender Kumar

REGISTERED OFFICE

A – 30, S – 11, Second Floor
Kailash Colony, New Delhi – 110048
Tel.: 011- 26654053
Fax: 011- 26654052
Website: www.pgil.com
E-Mail: pgindustry ltd@gmail.com

BANKERS

Vijaya Bank
(Now Bank of Baroda)
Defence Colony
New Delhi – 110 024

P G INDUSTRY LIMITED

Regd. Off: A – 30, S – 11, Second Floor, Kailash Colony, New Delhi – 110048

CIN: L74899DL1993PLC056421

STATUTORY AUDITORS

M/s. Ellahi Goel & Co.
(Chartered Accountants)
101A, Ground Floor,
Behind NAFED Building, Ashram Chowk,
Mathura Road, New Delhi – 110014
Tel: 011 -28751044

SECRETARIAL AUDITORS

M/s. R Miglani & Co.
(Company Secretaries)
207, D R Chambers, D B Gupta Road,
Karol Bagh, New Delhi – 110005
Mobile : +91-9711560406
011-43012149

PLANT LOCATION

E – 237, Phase – II
RIICO Industrial Area
Behror, Rajasthan

REGISTRAR AND SHARE TRANSFER AGENTS

M/s. Mas Services Limited
T – 34, Second Floor
Okhla Industrial Area, Phase – II,
New Delhi - 110 020
Tel: 011-26387281/82/83
E-Mail: info@masserv.com

INVESTOR HELPDESK

Telephone: 011- 26654053
E-Mail: pgindustryLtd@gmail.com

P G INDUSTRY LIMITED

Regd. Off: A – 30, S – 11, Second Floor, Kailash Colony, New Delhi – 110048

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NOTICE

Notice is hereby given that the 26th Annual General Meeting of the Members of **M/s. P G INDUSTRY LIMITED** will be held at A – 30, S – 11, Second Floor, Kailash Colony, New Delhi – 110048 on Monday 30th September, 2019 at 10:00 A. M. to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Annual Balance Sheet as at 31st March, 2019 and the Statement of Profit & Loss for the year ended on that date along with the reports of Directors' and Auditors thereon.
2. To appoint a Director in place of Mr. Amit Dalmia (DIN: 00083646), who retires by rotation and, being eligible, offers himself for reappointment.
3. To appoint Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

4. **TO AMEND THE TITLE OF INCIDENTAL OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION:**

To consider and if thought fit, to pass with or without modifications the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to Sections 4, 13 and other applicable provisions of the Companies Act, 2013 if any, Clause III (B) of the objects that are the objects incidental or ancillary to the attainment of the main objects of the Memorandum of Association be and hereby replaced with the title **“MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III (A) ARE:-**

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid Resolution along with filing of necessary E-forms with the Registrar of Companies, NCT of Delhi & Haryana.”

5. **DELETION OF THE OTHER OBJECTS CLAUSE OF THE MEMORANDUM OF ASSOCIATION:**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 4, 13 and all other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof), and subject to necessary approval(s) if any, from the competent authorities, the Other Objects Clause of the Memorandum of Association of the Company be removed by completely deleting the clause III (C).

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid Resolution along with filing of necessary E-forms with the Registrar of Companies NCT of Delhi & Haryana.”

6. **AMENDMENT OF THE LIABILITY CLAUSE OF THE MEMORANDUM OF ASSOCIATION:**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 4, 13 and all other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof), Clause IV of the Memorandum of Association be and is hereby altered by replacing the existing Clause IV with the following new Clause IV:

IV. The liability of members is limited and this liability is limited to the amount unpaid on shares held by them.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid Resolution along with filing of necessary E-forms with the Registrar of Companies NCT of Delhi & Haryana.”

7. **ADOPTION OF NEW ARTICLES OF ASSOCIATION IN CONFORMITY WITH COMPANIES ACT, 2013:**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 (“Act”) and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), and subject to such terms, conditions, amendments or modifications if any, as may be required or suggested by the Registrar of Companies and any other appropriate authorities, replacement and substitution of the existing Articles of Association of the Company with the Articles of Association as submitted to this meeting, be and is hereby approved, and the substituted Articles be adopted as the Articles of Association of the Company .

RESOLVED FURTHER THAT approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

8. SUB – DIVISION OF FULLY PAID – UP EQUITY SHARES FROM THE FACE VALUE OF ` 10/- TO FACE VALUE OF ` 5/-:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and in accordance with the provisions of Articles of Association of the Company and subject to other approval(s), consent(s), permission(s) and sanctions, if any, required from any authority, consent of the Members be and is hereby accorded to sub-divide each Equity Share of the Company having Face value of ` 10/- (Rupees Ten only) fully paid-up into 2 (Two) Equity Shares having Face Value of ` 5/- (Rupees Five Only) each fully paid-up on such date as may be fixed by the Board of Directors of the Company for this purpose (herein referred as the “Record date”).

RESOLVED FURTHER THAT pursuant to sub-division of the Equity Shares of the Company, the authorized, issued, subscribed and paid up Equity Share Capital of 1 (one) Equity Share of the Face value ` 10/- (Rupees Ten only) each shall stand subdivided into 2 (Two) Equity Shares of the Face value of ` 5/- (Rupee Five Only) each from the Record Date subject to the terms of Memorandum and Articles of Association and shall rank pari passu in all respects with and carry the same rights as the existing fully paid- up Equity Shares of ` 10/- (Rupees Ten only) each of the Company.

RESOLVED FURTHER THAT upon sub-division of Equity Shares of the Company as aforesaid, the existing share certificate(s) in relation to the existing Equity Shares of Face value of ` 10/- (Rupees Ten only) each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date and that no letter of allotment shall be issued to the allottees of the new Equity Shares of ` 5/- (Rupee Five Only) each on sub-division and the Company may, without requiring the surrender of existing share certificate(s), directly issue and dispatch the new share certificate(s) of the Company, in lieu of such existing share certificate(s), within the period prescribed or that may be prescribed in this behalf, from time to time and in the case of shares held in dematerialized form, the number of sub-divided Equity Shares be credited to the respective beneficiary accounts of the shareholders with the Depository Participants, in lieu of the existing credits representing the Equity Shares before sub-division.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to fix a Record Date and to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things and to give, from time to time, such directions as may be necessary, proper and expedient or incidental for the purpose of giving effect to this resolution.

RESOLVED FURTHER THAT the Board of Directors, the Chief Executive Officer, the Chief Financial Officer and the Company Secretary of the Company be and are hereby severally authorized to: (a) execute and file necessary applications, declarations, and other documents with Stock Exchanges, Depositories, Registrar and Transfer Agents and/or any other statutory authority(ies), if any; (b) cancel the existing physical share certificates; (c) settle any question or difficulty that may arise with regard to the sub-division of the Equity Shares as aforesaid or for any matters connected herewith or incidental hereto; and (d) do all such acts, deeds, things, including all other matters incidental thereto in order to implement the foregoing resolution."

9. AMENDMENT TO CLAUSE V OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions contained in Section 61, Section 13 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made there under (including any statutory modification(s), amendment(s) or reenactment(s) thereof), the existing Clause V of the Memorandum of Association of the Company be and is hereby amended and substituted thereof by the following clause:

- V. The Authorised Share Capital of the Company is Rs. 7,00,00,000/-(Rupees Seven Crore) divided into 1,40,00,000 (One Crore Forty Lakh) Equity Shares of Rs. 5/- (Rupees Five Only) each."

RESOLVED FURTHER THAT the Board of Directors or a Committee thereof be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution and/or otherwise considered by them in the best interest of the Company.”

**On behalf of the Board
of P G INDUSTRY LIMITED**

**Sd/-
Davender Kumar
Company Secretary**

**Place: New Delhi
Date: 23rd August 2019**

NOTES:

1. A member entitled to attend and vote is entitled to appoint proxy to attend and vote instead of himself and the proxy need not be a member of the company. Proxies in order to be valid must be lodged at the registered office of the company at A – 30, S – 11, Second Floor, Kailash Colony, New Delhi – 110048, not less than 48 hours before commencement of the meeting. Proxy form is annexed.
2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting along with Proxy Form as per Note 1 above.
3. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
5. The Register of members and share Transfer Books will remain closed from 24th September, 2019 to 30th September, 2019 (both days inclusive).
6. The Members are requested to notify change of address, if any to, the company's Registrar & Transfer Agent, M/s. **MAS Services Limited**, T – 34, 2nd Floor, Okhla Industrial Area, Phase – II, New Delhi – 110 020.
7. It will be appreciated that queries, if any, on the accounts and operations of the company are sent to the company 10 days in advance of the meeting so that the answer could be made readily available.
8. **Recognizing the spirit of the Green Initiative in Corporate Governance initiated by the Ministry of Corporate Affairs, the Company proposes to send Annual Report and other documents/notices to shareholders to the email address provided to the Depository/Company. Shareholders are requested to register and/or update email address with the respective Depository Participant or the Company, to ensure that documents from the Company reach their preferred email address.**
9. **Voting through Electronic means**
 - I. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 26th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 27th September, 2019 (09:00 a. m.) and ends on 29th September, 2019 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd September, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
- a. In case a Member receives an email from NSDL [for members whose email-IDs are registered with the Company/Depository Participants(s)] :
- Open email and open PDF file viz.; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - Launch internet browser by typing the following URL:
<https://www.evoting.nsdl.com/>
 - Click on Shareholder - Login
 - Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - Select "EVEN – 111715" of "**P G Industry Limited**".
 - Now you are ready for remote e-voting as Cast Vote page opens.
 - Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - Upon confirmation, the message "Vote cast successfully" will be displayed.
 - Once you have voted on the resolution, you will not be allowed to modify your vote.
 - Institutional shareholders (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 to **mkska.ca@gmail.com** with a copy marked to **evoting@nsdl.co.in**.
- b. In case a Member receives physical copy of the Notice of AGM or members, whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy:
- Initial password is provided as below at the bottom of the Attendance Slip for the AGM :
EVEN (Remote e-voting Event Number), USER ID; PASSWORD/PIN
 - Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on Toll Free No.: 1800-222-990.

- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/ PIN for casting your vote.
- VIII. You can also update your mobile number and email-id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 23rd September, 2019.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23rd September, 2019, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or info@masserv.com.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/ Password” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Sapan Kumar Agarwal, Chartered Accountant (Membership No. 520729) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company at www.pgil.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE.
- XVII. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 A. M. to 01:00 P. M.) on all working days, except Saturdays, Sundays and Bank Holidays up to the date of the AGM of the Company.

P G INDUSTRY LIMITED

Regd. Off: A – 30, S – 11, Second Floor, Kailash Colony, New Delhi – 110048

CIN: L74899DL1993PLC056421

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 (the Act), the following Explanatory Statement sets out all material facts relating to the Special Business mentioned under:

ITEM NO. 4:

TO AMEND THE TITLE OF INCIDENTAL OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION:

In order to comply with the provisions of the Companies Act, 2013, the Company needs to amend the title of clause III (B) Objects Clause of the Memorandum of Association. Consent of the shareholders by passing a Special Resolution is required in this regard.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution.

The Directors recommend the aforesaid resolution for the approval by the members as Special Resolution.

ITEM NO. 5:

DELETION OF THE OTHER OBJECTS CLAUSE OF THE MEMORANDUM OF ASSOCIATION

In order to comply with the provisions of Section 4(1)(c), 13 and other applicable provisions, if any, of the Companies Act, 2013, the Company needs to delete the Other Objects Clause from the Memorandum of Association. The modification in the Memorandum of Association is carried out to give effect to the provisions of the Companies Act, 2013. Consent of the shareholders by passing a Special Resolution is required in this regard. The Clauses which are getting deleted are given as Annexure I.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution.

The Directors recommend the aforesaid resolution for the approval by the members as Special Resolution.

ITEM NO. 6:

AMENDMENT OF THE LIABILITY CLAUSE OF THE MEMORANDUM OF ASSOCIATION:

In order to comply with the provisions of Section 4(1)(d)(i), 13 and other applicable provisions, if any, of the Companies Act, 2013, the Company needs to alter the Liability Clause of the Memorandum of Association. The modification in the Memorandum of Association is carried out to give effect to the provisions of the Companies Act, 2013. Consent of the shareholders by passing a Special Resolution is required in this regard.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution.

The Directors recommend the aforesaid resolution for the approval by the members as Special Resolution.

ITEM NO. 7:

ADOPTION OF NEW ARTICLES OF ASSOCIATION IN CONFORMITY WITH COMPANIES ACT, 2013:

Upon enactment of the Companies Act, 2013, various provisions of the Companies Act, 1956 have been repealed and in view of the same the Articles of Association of the Company needs to be re-aligned as per the provisions of the Companies Act, 2013. The Board of Directors in its meeting held on 23rd August 2019 decided (subject to the approval of members) to adopt a new set of Articles of Association in place of and to the exclusion of existing Articles of Association of the Company. The draft of the new set of Articles proposed for approval is being circulated along with this notice of the Annual General Meeting. In terms of Section 14 of the Companies Act, 2013, the consent of the Members by way of special resolution is required for adoption of new set of Articles of Association of the Company. Your Directors commend passing of this resolution by way of a special resolution.

None of the directors, KMPs, or their relatives are interested or concerned, financially or otherwise, in the resolution set out at item no. 7.

ITEM NO. 8:

SUB – DIVISION OF FULLY PAID – UP EQUITY SHARES FROM THE FACE VALUE OF ` 10/- TO FACE VALUE OF ` 5/-:

The Equity Shares of the Company are listed and being traded on the BSE Ltd. With a view to enhance the investor base of the company by encouraging the participation of the small investors and also to increase the liquidity of the equity shares of the Company, the Board of Directors at its meeting held on 23rd August, 2019 has recommended to sub-divide the nominal value of the equity share of the Company from ` 10/- per share to ` 5/- per share, subject to approval of Member at the ensuing Annual General Meeting. Accordingly, each fully paid up equity share of nominal value ` 10/- (Rupees Ten Only) of the Company, existing on the record date as may be fixed by the Board of Directors, shall stands sub divided into 2 (two) equity shares of Nominal Value of ` 5/- (Rupee Five only) each fully paid up. The record date for the aforesaid sub division of the equity shares will be fixed after the approval of the shareholders is obtained, pursuant to this Annual General Meeting.

Your Directors recommend passing of this resolution by way of a special resolution.

None of the directors, KMPs, or their relatives are interested or concerned, financially or otherwise, in the resolution set out at item no. 8.

ITEM NO. 9:

AMENDMENT TO CLAUSE V OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY:

Consequent upon the sub-division of shares, the Authorised Share Capital of the Company of ` 7,00,00,000/- (Rupees Seven Crores only) would comprise of 1,40,00,000 (One Crores Forty Lakh) Equity Shares of ` 5/- (Rupees Five only) each and the issued, subscribed and paid up capital of the Company is divided into 92,48,440 (Ninety Two Lakh Fourty Eight Thousand Four Hundred and Fourty) equity shares of Rs. 5/- (Rupees Five only) each fully paid-up amounting to ` 4,62,42,200/- (Rupees Four Crores Sixty Two Lakh Fourty Two Thousand Two Hundred only).

The proposed sub division of equity shares of the Company from ` 10/- (Rupee Ten Only) per equity share to ` 5/- (Rupees Five Only) per equity share, requires consequential alteration of the Memorandum of Association of the Company. Accordingly, Clause V of the Memorandum of Association is proposed to be altered in the manner set out in Resolution at Item No. 9

Your Directors recommend passing of this resolution by way of a special resolution.

None of the directors, KMPs, or their relatives are interested or concerned, financially or otherwise, in the resolution set out at item no. 9.

*All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 A. M. to 01:00 P. M.) on all working days, except Saturdays, Sundays and Bank Holidays up to the date of the AGM of the Company.

THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
P G INDUSTRY LIMITED

I. PRELIMINARY

1. In these Regulations unless the context otherwise require:
 - (a) "The Company" or this company' means **P G INDUSTRY LIMITED**
 - (b) "the Act" means the "Companies Act, 2013" and every statutory modification or re-enactment thereof and references to Sections or Rules of the Act shall be deemed to mean and include references to sections enacted in modification or replacement thereof.
 - (c) "these Regulations" means these Articles of Association as originally framed or as altered, from time to time.
 - (d) "the Office" means the Registered Office for the time being of the Company.
 - (e) "the Seal" means the common seal of the Company.
 - (f) Words imparting the singular shall include the plural and vice versa, words imparting the masculine gender shall include the feminine gender and words imparting persons shall include bodies corporate and all other persons recognised by law as such.
 - (g) "Month" and "year" means a calendar month and calendar year respectively.
 - (h) Expression referring to writing shall be construed as including references to printing, lithography, photography and other modes of representing or reproducing words in visible form.
 - (i) Unless the context otherwise requires, the words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modifications thereof, in force at the date at which these regulations become binding on the Company.
2. The Regulations contained in Table F in Schedule I to the Companies Act, 2013 shall not apply to the Company and the Regulations herein contained shall be the regulations for the management of the Company and for the observance of its members and their representatives. They shall be binding on the company and its members as if they are the terms of an agreement between them.

SHARE CAPITAL

3. The Authorised Share Capital of the company shall be such amounts and be divided into such shares as may, from time to time, be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital in accordance with the Company's regulations and legislative provisions for the time being in force on that behalf with the powers to divide the share capital, whether original or increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such manner as may for the time being be provided by the Regulations of the Company and allowed by law.

4. Subject to the provisions of these Articles and of the Act, the shares shall be under the control of the Board of Directors, who may allot or otherwise dispose off the same to such persons, on such terms and conditions and at such time as they think fit and with full power to give any person the option to call of or be allotted shares of the Company of any class, either at a premium or at par and for such time and for such consideration as the Board of Directors think fit (subject to the provisions of Section 53, 54, 56 and 58 of the Act), provided that option or right to call of shares shall not be given to any person except with the sanction of the Company in General Meeting. The Board shall cause to be made the returns as the allotment provided for in Section 39 of the Act.
5. Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles; and every person who thus or otherwise accepts any shares and whose name is on the register shall, for the purposes of the Articles, be a member.
6. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Section 48 of the Act, the consent in writing of the holders of three fourths of the issued shares of that class or with a sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise provided by the terms of issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
8. (1) The company may exercise the powers of paying commissions conferred by Section 40 of the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Section.
- (2) The rate of commission shall not exceed the rate of 5% (five percent) of the price at which the shares in respect whereof the same is paid are issued or an amount equal to 5% (five percent) of such price, as the case may be and in the case of debentures 2½% (two and a half per cent) of the price at which the debentures in respect whereof the same is paid are issued or an amount equal to 2½% (two and a half per cent) of such price, as the case may be.
- (3) The commission may be satisfied by payment in cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.
- (4) The Company may also, on any issue of shares, pay such brokerage as may be lawful.

CERTIFICATE

9. (1) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment (or within such other period as the conditions of issue shall provide) or within one month after the application for the registration of transfer is received by the Company.
 - (a) One certificate for all his shares without payment, or
 - (b) Several certificates, each for one or more of his shares, provided that any subdivision, consolidation or splitting of certificates required in marketable lots shall be done by the Company free of any charges.
- (2) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid up thereon.

JOINT-HOLDERS OF SHARE

- (3) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
10. The Company agrees, that it will not charge any fees exceeding those which may be agreed upon with the Stock Exchange.
- (i) For issue of new certificates in replacement of those that are torn out, defaced lost or destroyed;
- (ii) For sub-division and consolidation of shares and debenture certificates and for subdivision of Letters of Allotment and Split, Consolidation, Renewal and Pucca Transfer Receipts into denominations other than those fixed for the market units of trading".
11. If any shares stands in the names of two or more persons, the person first named in the register of members shall as regards receipt of dividends, the service of notices and subject to the provisions of these Articles, all or any other matter connected with the Company except the issue of share certificates, voting at meeting and the transfer of the share, be deemed the sole holder thereof.

LIEN

12. Subject to the provisions of Companies Act, 2013 the Company shall have a first and paramount lien upon all the shares (not being a fully paid up share) for all monies (presently payable) registered in the name of such member (whether solely or jointly with others) and upon the proceeds of sale thereof for his debts, liabilities and engagements (whether presently payable or not) solely or jointly with any other person, to or with the Company, whether the period for the payment, fulfillment or discharge thereof shall have actually lien or not and such lien shall extend to all dividends, from time to time, declared in respect of shares, subject to section 123 of the Companies Act 2013. The Board of Directors may at any time declare any shares to be wholly or in part exempt from the provisions of this clause.
13. The Company may sell, in such manner as the Board think fit, any share on which the Company has a lien provided that no sale shall be made :-
- (a) Unless a sum in respect of which the lien exists is presently payable; or
- (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
14. (1) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (2) The purchaser shall be registered as the shareholder of the shares comprised in any such transfer.
- (3) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the sale.
15. (1) The proceeds of the sale shall be received by the company and applied in payment of the whole or part of the amount in respect of which the lien exist as is presently payable.

- (2) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares as the date of sale, be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

16. (1) The Board of Directors may, from time to time, make calls upon the members in respect of money unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times. Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
- (2) Each member shall, subject to receiving at least Fourteen days notice specifying the time or times and place of payment of the call money pay to the Company at the time or times and place so specified, the amount called on his shares.
- (3) A call may be revoked or postponed at the discretion of the Board.
17. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed. Call money may be required to be paid by instalments.
18. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
19. (1) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten percent or at such lower rate, if any as the Board may determine.
- (2) The Board shall be at liberty to waive payment of any such interest wholly or in part.
20. (1) Any sum which by the terms of issue of a share become payable on allotment or at any fixed date, whether on account of the nominal value of the shares or by way of premium, shall for purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (2) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
21. Subject to the provisions of Section 50 and 179 of the Act, the Board:-
- (a) May, if it thinks fit, receive from any member willing to advance all or any part of the money uncalled and unpaid upon any shares held by him; and
- (b) If it thinks fit, may pay interest upon all or any of the moneys advanced on uncalled and unpaid shares (until the same would but for such advance become presently payable) at such rate not exceeding, unless the Company in general meeting shall otherwise direct, 12% (twelve percent) per annum as may be agreed upon between the Board and the member paying the sums or advances, Money so paid in advance shall not confer a right to dividend or to participate in profits.
22. On the trial or hearing on any suit or proceedings brought by the Company against any member or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of members of the company as a holder or one of the holders of the number of shares in respect of which such claim is made and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who resolved to make any call, nor that a quorum of Directors was present at Board Meeting at which any call

was resolved to be made, nor that the meeting at which any call was resolved to be made was duly convened or constituted nor any other matter, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

23. Neither the receipt by the Company of a portion of any money which shall, from time to time, be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall, preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

TRANSFER AND TRANSMISSION OF SECURITIES

24. The Company shall keep a "Register of Transfers" and therein shall fairly and distinctly enter particulars of every transfer or transmission of any share(s) or securities.
25. (1) the instrument of transfer of any securities in the Company shall be executed by or on behalf of both the transferor and the transferee.
- (2) The transferor shall be deemed to remain a holder of the security until a properly signed deed of transfer is received by the Company within 2 months of its execution and proper note thereof has been taken and name of transferee has been entered in the Register of Members/Securities, as the case may be.
26. The instrument of transfer shall be in writing and all the provisions of Companies Act 2013 and modification thereof for the time being shall be complied with in respect of all transfers of shares and registration thereof.
27. Unless the Directors decide otherwise, when an instrument of transfer is tendered by the transferee, before registering any such transfer, the Directors shall give notice by letter sent by registered acknowledgement due post to the registered holder that such transfer has been lodged and that unless objection is taken the transfer will be registered. If such registered holder fails to lodge an objection in writing at the office within ten days from the posting of such notice to him, he shall be deemed to have admitted the validity of the said transfer. Where no notice is received by the registered holder, the Directors shall be deemed to have decided not to give notice and in any event to the non-receipt by the registered holder of any notice shall not entitle him to make any claim of any kind against the Company or the Directors in respect of such non-receipt.

TRANSFER OF SECURITIES

28. The Board of Directors may, subject to the right of appeal conferred by Section 58 of the Companies Act, 2013 decline to register :-
- (a) the transfer of a share not being a fully paid up share, to a person of whom they do not approve; or
- (b) any transfer of the share on which the Company has a lien, provided that the registration transfer shall not be refused on the ground of transferor being either alone or jointly with any person or persons indebted to the Company on any account except a lien.
29. The Board may decline to recognise any instrument of transfer unless:-
- (a) the instrument of transfer is in the form as prescribed in rules made under subsection (1) of section 56;
- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- (c) the instrument of transfer is in respect of only one class of shares.

30. All instruments of transfer which shall be registered shall be retained by the Company, but may be destroyed upon the expiration of such period as the Board may from time to time determine. Any instrument of transfer which the Board declines to register shall (except in any case of fraud) be returned to the person depositing the same.
31. (a) On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:
- Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.
- (b) There shall be no charge for :
- (a) registration of shares or debentures.
 - (b) sub-division and/or consolidation of shares and debentures certificates and sub-division of Letters of Allotment and split consolidation, renewal and pucca transfer receipts into denominations corresponding to the market unit or trading;
 - (c) Sub-division of renounceable Letters of Right;
 - (d) issue of new certificates in replacement of those which are decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilised;
 - (e) registration of any Powers of Attorney, Letter of Administration and similar other documents.

TRANSMISSION OF SECURITIES

32. (a) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.
- (b) Nothing in clause (a) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
33. (a) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either :-
- (i) to be registered himself as holder of the share; or
 - (ii) to make such transfer of the share as the deceased or insolvent member could have made.
- (b) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
34. (a) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (b) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (c) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such

notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

35. On the transfer of the share being registered in his name a person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company.

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share, until the requirements of the notice have been complied with.

36. Where the Company has knowledge through any of its principal officers within the meaning of Section 2 of the Estate Duty Act, 1953 of the death of any member or of debenture holder in the company, it shall furnish to the controller within the meaning of such section, the prescribed particulars in accordance with that Act and the rules made thereunder and it shall not be lawful for the Company to register the transfer of any shares or debentures standing in the name of the deceased, unless the transferor has acquired such shares for valuable consideration or a certificate from the Controller is produced before the Company to the effect that the Estate Duty in respect of such shares and debentures has been paid or will be paid or that none is due, as the case may be.
37. The Company shall incur liability whatever in consequence of its registering or giving effect, to any transfer of share made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the register of members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company though not bound so to do, shall be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

FORFEITURE OF SHARES

38. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
39. The notice aforesaid shall:-
- (a) name a further day (not being earlier than the expiry of 14 (fourteen) days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
40. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time, thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to

that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the date of forfeiture, which shall be the date on which the resolution of the Board is passed forfeiting the shares.

41. (1) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (2) At any time before a sale or disposal, as aforesaid, the Board may annul the forfeiture on such terms as it thinks fit.
42. (1) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which, at date of forfeiture, were presently payable by him to the Company in respect of the shares together with interest thereon from the time of forfeiture until payment at the rate of 9 % (nine percent) per annum.
- (2) The Liability of such person shall cease if and when the Company shall have received payments in full of all such money in respect of the shares.
43. (1) A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the Company and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.
- (2) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed off.
- (3) The transferee shall thereupon be registered as the holder of the share.
- (4) The transferee shall not bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
44. The provisions of these regulations as to forfeiture shall apply, in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
45. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company in respect of the share, and all other rights incidental thereto except only such of those right as by these Articles are expressly saved.
46. Upon any sale, after forfeiture or for enforcing a lien in purported exercise of powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings or to be application of the purchase money and after his name has been entered in the Register in respect of such shares, the validity, of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
47. Upon any sale, re-allotment or other disposal under the provisions of these Articles relating to lien or to forfeiture, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect. When any shares, under the powers in that behalf herein contained are sold by the Board and the certificate in respect thereof has not been delivered up to the Company by the former holder of such shares, the Board may, issue a new certificate for

such shares distinguishing it in such manner as it may think fit, from the certificate not so delivered.

48. The Directors may subject to the provisions of the Act, accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof.

CONVERSION OF SHARES INTO STOCK

49. The Company may, by an ordinary resolution:-
- (a) convert any paid-up shares into stock; and
 - (b) reconvert any stock into paid-up shares of any denomination authorised by these regulations.
50. The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred or as near thereto as circumstances admit:
- Provided the Board may, from time to time, fix the minimum amount of Stock transferable, so however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
51. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regard dividends voting and meeting of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
52. Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholder" respectively.

SHARE WARRANTS

53. The Company may issue share warrant, subject to and in accordance with, the provisions of the Companies Act 2013 and accordingly the Board may in its discretion with respect of any share which is fully paid up, on application in writing signed by the person registered as holder of the share and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the person signing the application and on receiving the certificate (if any) of the share; and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.
54. (1) The bearer of a share warrant may at any time deposit the warrant at the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company and of attending and voting and exercising, the other privileges of a member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares included in the deposited warrant.
- (2) Not more than one person shall be recognised as depositor of the share warrant.
- (3) The Company shall, on two days written notice, return the deposited share warrant to the depositor.

55. (1) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling meeting of the Company or attend or vote or exercise any other privilege of a member at a meeting of the company or be entitled to receive any notice from the Company.
- (2) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he was named in the register of member as the holder of the shares including in the warrant and he shall be deemed to be a member of the Company in respect thereof.
56. The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction of the original.

ALTERATION OF CAPITAL

57. The Company may, from time to time, by ordinary resolution increase its share capital by such sum, to be divided into shares of such amount, as the resolution shall specify.
58. The Company may, by ordinary resolution in general meeting :
- (a) consolidate and divide all or any of its capital into shares of larger amounts than its existing shares :
 - (b) sub-divide its shares or any of them, into shares of similar amounts than is fixed by the Memorandum of Association, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
 - (c) cancel any share which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
59. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law :-
- (a) its share capital;
 - (b) any capital redemption reserve account; or
 - (c) any share premium account.
60. The Company may, from time to time, by special resolution and on compliance with the provisions of Section 66 of the Act, reduce its share capital.
61. The Company shall have power to establish Branch Offices, subject to the provisions of the Act or any statutory modifications thereof.
62. The Company shall have power to pay interest out of its capital on so much of shares which were issued for the purpose of raising money to defray the expenses of the construction of any work or building or the provision of any plant for the Company in accordance with the provisions of the Act.
63. The Company, if authorised by a special resolution passed at a General Meeting may amalgamate or cause itself to be amalgamated with any other person, firm or body corporate, subject however, to the provisions of Section 230 to 232 of the Act.

BUY-BACK OF SHARES

64. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

GENERAL MEETING

65. All General Meetings other than the Annual General Meetings of the Company shall be called Extra-Ordinary General Meetings.
66. (1) The Board may, whenever it thinks fit call an Extraordinary General Meeting.
- (2) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

CONDUCT OF GENERAL MEETINGS

67. No general meeting, annual or extraordinary, shall be competent to enter upon, discuss or transact any business which has not been stated in the notice by which it was convened or called.
68. (1) No business shall be transacted at any general meeting, unless a quorum of members is present at the time when the meeting proceeds to business.
- (2) Save as otherwise provided in Section 103 of the Act, a minimum of:-
- a) five members personally present if the number of members as on the date of meeting is not more than one thousand;
 - b) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;
 - c) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand;

Furthermore, A body corporate, being member, shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act.

CONDUCT OF MEETINGS

69. The Chairman, if any of the Board shall preside as Chairman at every general meeting of the company.
70. If there is no such Chairman or if he is not present within fifteen minutes of the time appointed for holding the meeting or is unwilling to act as Chairman of the meeting, the Directors present shall elect one of their members to be the Chairman of the meeting.
71. If at any meeting no Director is willing to act as Chairman or if no Director is present within 15 (fifteen) minutes of the time appointed for holding the meeting, the members present shall choose one of their members to be the Chairman of the meeting.
72. No business shall be discussed at any general meeting except the election of a Chairman, whilst the chair is vacant.
73. (1) The Chairman may with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn the meeting, from time to time and place to place.

- (2) No business shall be transacted at any adjourned meeting, other than the business left unfinished at the meeting from which the adjournment took place.
 - (3) When a meeting is adjourned for thirty days or more, fresh notice of any adjourned meeting shall be given as in the case of an original meeting.
 - (4) Save as aforesaid, it shall not be necessary to give any notice of any adjournment or of the business to be transacted at an adjourned meeting.
74. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.
75. Any business other than that upon which a poll has been demanded, may be proceeded with, pending the taking of the poll.

VOTES OF MEMBERS

76. Subject to any rights or restrictions for the time being attached to any class or classes of shares:
- (a) on a show of hands, every member present in person shall have one vote; and
 - (b) on a poll, the voting rights of members shall be as laid down in Section 47 of the Act.
77. In the case of joint holders, the vote of the senior who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names of joint holders stand in the Register of members.
78. A member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll by his committee or other legal guardian, and any such committee or guardian may on a poll, vote by proxy, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the office not less than 24 hours before the time of holding the meeting or adjourned meeting at which such person claims to vote on poll.
79. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
80. No member shall be entitled to vote at any general meeting unless all calls and other sums presently payable by him in respect of shares in the Company or in respect of shares, on which the Company has exercised any right of lien, have been paid.
81. (1) No objection shall be raised to the qualification of any voter, except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (2) Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision thereon shall be final and conclusive.
82. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

83. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
84. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given, Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

85. The number of Directors of the Company shall not be less than three and not more than fifteen.
86. The following shall be the first directors of the Company:-
1. **Mrs. Manju Devi Dalmia**
 2. **Shri Amit Dalmia**
87. At every Annual General Meeting of the Company one-third of such of the Directors for the time being as are liable to retire by rotation in accordance with the provisions of Section 152 of the Act or if their number is not three or a multiple of three, then the number nearest to one third shall retire from office in accordance with the provisions of Sections 152 of the Act.
88. (1) Subject to the provisions of the Companies Act, 2013 and Rules made there under each Director shall be paid sitting fees for each meeting of the Board or a committee thereof, attended by him a sum not exceeding Rs. 2,000/-(Rupees Two Thousand Only).
- (2) Subject to the provisions of Section 197 of the Act, the Directors shall be paid such further remuneration, whether in the form of monthly payment or by a percentage of profit or otherwise, as the Company in General Meeting may, from time to time, determine and such further remuneration shall be divided among the Directors in such proportion and in such manner as the Board may, from time to time, determine and in default of such determination, shall be divided among the directors equally of is so determined paid on a monthly basis.
- (3) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day to day.
- (4) Subject to the provisions of Sections 197 of the Act, if any Director be called upon to perform any extra services or make special exertions or efforts (which expression shall include work done by a Director as a member of any committee formed by the Directors) the Board may pay such Director special remuneration for such extra services or special exertions or efforts either by way of a fixed sum or by percentage of profit otherwise and may allow such Director at the cost and expense of the Company such facilities or amenities (such as rent free house, medical aid and free conveyance) as the Board may determine from time to time.
- (5) In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid in accordance with company's rules to be made by the Board all travelling, hotel and other expenses properly incurred by them :-
- (a) In attending and returning from meetings or adjourned meeting of the Board of Directors or any committee thereof; or
 - (b) In connection with the business of the Company.
89. The Directors shall not be required to hold any qualification shares in the Company.

90. Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

91. If it is provided by any trust deed securing or otherwise in connection with any issue of debentures of the Company that any person or persons shall have power to nominate a Director of the Company then in the case of any and every such issue of debentures, the persons having such power may exercise such power, from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as a Debenture Director. A Debenture Director may be removed from office at time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A debenture Director shall not be liable to retire by rotation.
92. In the course of its business and for its benefit the Company shall, subject to the provisions of the Act, be entitled to agree with any person, firm, corporation, government, financing institution or other authority that he or it shall have the right to appoint his or its nominee on the Board of Directors of the Company upon such terms and conditions as the Directors may deem fit. Such nominees and their successors in office appointed under this Article shall be called Nominee Directors. Nominee Directors shall be entitled to hold office until requested to retire by the government, authority, person, firm, institution or corporation who may have appointed them and will not be bound to retire by rotation. As and whenever a Nominee Director vacates office whether upon request as aforesaid or by death, resignation or otherwise the government, authority, person, firm, institution or corporation who appointed such Nominee Director may if the agreement so provide, appoint another Director in his place.
93. Subject to the provisions of Section 161 of the Act, the Board of Directors shall have power to appoint an alternate Director to act for a Director during his absence for a period of not less than three months from India.
94. The Directors shall have power, at any time and from time to time, to appoint any qualified person to be a director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only upto the date on which the director in whose place he is appointed would have held office if it had not been vacated as aforesaid but he shall then be eligible for re-election.
95. A person may be or become a director of any company promoted by the company or in which it may be interested as a vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as director or shareholder of such company. Such Director, before receiving or enjoying such benefits in case in which the provisions of Section 188 of the Act are attracted will ensure that the same have been complied with.
96. Every nomination, appointment or removal of a Special Director shall be in writing and in accordance with the rules and regulations of the government, corporation or any other institution. A Special Director shall be entitled to the same rights and privileges and be subject to same obligations as any other Director or the Company.

97. The office of a Director shall become vacant:-
- (i) on the happening of any of the events provided for in Section 167 of the Act;
 - (ii) on the contravention of the provisions of Sections 188 of the Act, or any statutory modifications thereof;
 - (iii) if a person is a Director of more than twenty Companies at a time, out of which not more than 10 (Ten) shall be Public Companies.
 - (iv) in the case of alternate Director on return of the original Director to the State, in terms of Section 161 of the Act; or
 - (v) on resignation of his office by notice in writing and is accepted by the Board.
98. Every Director present at any meeting of the Board or a committee thereof shall sign his name in a book to be kept for that purpose, to show his attendance thereat.

POWERS OF BOARD OF DIRECTORS

99. The Board of directors may pay all expenses incurred in the formation, promotion and registration of the Company.
100. The Company may exercise the powers conferred on it by Section 88 of the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of those Sections) make and vary such regulations as it may think fit with respect to the keeping of any such register.
101. The Directors may enter into contracts or arrangements on behalf of the Company subject to the necessary disclosures required by the provisions of Section 184 of the Act being made wherever any Director is in any way, whether directly or indirectly concerned or interested in the contract or arrangements.

BORROWING POWER

102. Subject to the provisions of Sections 73, 76, 179, and 180 of the Act, and the Regulations thereunder and Directions issued by the RBI, Directors may exercise all the powers of the company to borrow money and to mortgage or charge its undertaking, property (both present and future), or any part thereof and to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.
103. The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit subject to the provisions of Section 73 & 76 of the Act and rules framed thereunder.
104. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

PROCEEDINGS OF THE BOARD

105. Subject to Section 174 of the Act, the quorum for a meeting of the Board of Directors shall be one third of its total strength (any fraction contained in that one third being rounded off as one) or two Directors, whichever is higher; provided that where at any time the number of interested Directors exceeds or is equal to two thirds of the total strength, the number of the remaining Directors, that is to say, the number of directors, who are not interested, present at the meeting, being not less than two, shall be the quorum during such time.
106. The participation of the Directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum under clause 105 of the Articles.

107. If a meeting of the Board could not be held for want of quorum, whatever number of Directors not being less than two, shall be present at the adjourned meeting, notice whereof shall be given to all the Directors, shall form a quorum.
108. (1) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of vote.
- (2) In case of an equality of votes, the Chairman of the meeting shall have a second or casting vote.
109. The continuing Directors may act notwithstanding any vacancy in the Board, but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or for summoning a General meeting of the Company, but for no other purpose.
110. (1) The Board may elect one of its members as Chairman of its meetings and determine the period for which he is to hold office as such.
- (2) If no such Chairman is elected or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be Chairman of the meeting.
111. Subject to the restrictions contained in Section 179 & 180 of the Act, the Board may delegate any of its powers to committees of the Board consisting of such member or members of its body as it think fit and it may, from time to time, revoke such delegation and discharge any such committee of the Board either wholly or in part, and either as to persons or purposes, but every committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such committee of the Board in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.
112. The meetings and proceedings of any such committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last proceeding Article.
113. (1) A committee may elect a chairman of its meetings.
- (2) If no such chairman is elected or if at any meeting the chairman is not present within five minutes of the time appointed for holding the meeting, the members present may choose one of their members to be chairman of the meeting.
114. (1) A committee may meet and adjourn as it think proper.
- (2) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present and in case of an equality of votes, the chairman shall have a second or casting vote.
115. All acts done by any meeting of the Board or by a committee thereof by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment or continuance in office of any such Directors or persons acting as aforesaid: or that they or any of them were disqualified or had vacated office or were not entitled to act as such or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, had duly continued in office was qualified, had continued to be a Director his appointment had not been terminated and he had been entitled to be a Director provided that nothing in this Article shall be deemed to

give validity to any act done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

116. Subject to Section 175 of the Act and except a resolution which the Act requires specifically to be passed in any board meeting, a resolution in writing, signed by the majority members of the Board or of a committee thereof; for the time being entitled to receive notice of a meeting of the Board or committee, shall be as valid and effectual as if it had been passed at a meeting of the Board or committee, duly convened and held.

MANAGING DIRECTOR(S) AND WHOLE TIME DIRECTOR(S)

117. Subject to provisions of Section 196 & 197 of the Act, the Board of Directors may, from time to time, appoint one or more of their body to the office of Managing Directors or whole time Directors for a period not exceeding 5 (five) years at a time and on such terms and conditions as the Board may think fit and subject to the terms of any agreement entered into with him, may revoke such appointment, and in making such appointments the Board shall ensure compliance with the requirements of the Companies Act, 2013 and shall seek and obtain such approvals as are prescribed by the Act, provided that a Director so appointed, shall not be whilst holding such office, be subject to retirement by rotation but his appointment shall automatically be determined if he ceases to be a Director.
118. The Board may entrust and confer upon Managing Director/s or whole time Director/s any of the powers of management which would not otherwise be exercisable by him upon such terms and conditions and with such restrictions as the Board may think fit, subject always to the superintendence, control and direction of the Board and the Board may, from time to time revoke, withdraw, alter or vary all or any of such powers.
119. Subject to Section 203 of the Act, a Secretary of the Company may be appointed by the Board on such terms, at such remuneration and upon such conditions as it may think fit, and any Secretary so appointed may be removed by the Board.

THE SEAL

120. (1) The Board shall provide a common seal for the purposes of the Company and shall have power, from time to time, to vary or cancel the same and substitute a new seal in lieu thereof. The Board shall provide for the safe custody of the seal for the time being.
- (2) Subject to any statutory requirements as to Share Certificates or otherwise, the seal of the company shall not be affixed to any Instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVES

121. The Company in General meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.
122. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
123. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or

for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.

- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
- 124. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
- 125. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
- 126. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- 127. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
- 128. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
- 129. No dividend shall bear interest against the Company, irrespective of the reason for which it has remained unpaid

ACCOUNTS

- 130. (1) The Board shall cause proper books of accounts to be maintained under Sections 128 & 129 of the Act.
- (2) The Board shall, from time to time, determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company or any or them, shall be open to the inspection of members not being Directors.
- (3) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

131. Balance Sheet and Profit and Loss Account of the Company will be audited once in a year by a qualified auditor for correctness as per provision of the Act.

AUDIT

132. (a) The first Auditor of the Company shall be appointed by the Board of Directors within thirty days from the date of registration of the Company and the Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.
- (b) The auditor shall be hold office from the conclusion of First Annual General Meeting till conclusion of Sixth Annual General Meeting.
- (c) The remuneration of the Auditor shall be fixed by the Company in the Annual General Meeting or in such manner as the Company in the Annual General Meeting may determine. In case of an Auditor appointed by the Board his remuneration shall be fixed by the Board.
- (d) The Board of Director may fill any casual vacancy in the office of the auditor and where any such vacancy continues, the remaining auditor, if any may act, but where such vacancy is caused by the resignation of the auditors and vacancy shall be filled up by the Company in General Meeting.

CAPITALISATION OF PROFITS

133. (1) The company in General Meeting may, upon the recommendation of the Board resolve:-
- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss Account, or otherwise available for distribution; and
- (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) among the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (2) The sum aforesaid shall not be paid in cash, but shall be applied, subject to the provisions contained in clause (3), either in or towards:-
- (i) paying up any amounts for the time being unpaid on any shares held by such members respectively;
- (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or
- (iii) partly in the way specified in sub-clause (i) and partly in that is specified in sub-clause (ii).
- (3) Any share/securities premium account and any capital redemption reserve fund may, for the purpose of this regulation, only be applied in the paying up of unissued share to be issued to members of the Company as fully paid bonus shares.
- (4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
134. (1) whenever such as resolution as aforesaid shall have been passed, the Board shall:-
- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares, if any; and

- (b) do all acts and things required to give effect thereto.
- (2) The Board shall have full power:-
 - (a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit in the case of shares becoming distributable in fractions; and also
 - (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective Proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (3) Any agreement made under such authority shall be effective and binding on all such members.

SECRECY

135. Subject to the provisions of law of land and the act, every manager, auditor trustee, member of a committee, officer servant, agent accountant or other persons employed in the business of the company shall, if so required by the Board of Directors before entering upon his duties, sign, declaration, pledging himself to observe strict secrecy respecting all transactions of the Company with its customers and the state of account with individuals and in matters relating thereto and shall by such declaration pledge himself, not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the directors or by any court of law and except so far as may be necessary in order to comply with any of the provisions in these presents.

WINDING UP

136. Subject to the provisions of Chapter XX of the Act and rules made there under:-
- (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
 - (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
 - (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

137. Subject to the provisions of Companies Act 2013, every Director, Manager, Auditor, Secretary and other officers or servants of the Company shall be indemnified, out of the assets of the Company against any bonafide liability incurred by him in defending any bonafide proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under section 463 of the Companies Act 2013, in which relief is granted to him by the Court.

P G INDUSTRY LIMITED

Regd. Off: A – 30, S – 11, Second Floor, Kailash Colony, New Delhi – 110048

CIN: L74899DL1993PLC056421

BOARD'S REPORT

To,
The Shareholders

Your Board of Directors take pleasure in presenting the 26th Board's Report of the Company together with the Audited Financial Statements for the year ended on 31st March, 2019.

FINANCIAL HIGHLIGHTS

(` In Lacs)

PARTICULARS	31.03.2019	31.03.2018
Sales	5300.02	5608.39
Other Income	10.71	7.25
Total Income	5310.73	5615.64
Expenses	4836.17	5164.64
Earnings before depreciation, finance costs and taxes	474.56	450.91
Less: Depreciation and Finance Costs	370.94	337.62
Profit/ (Loss) before taxation	103.62	113.29
Tax Expenses	50.58	101.10
Balance Surplus Carried to Balance Sheet	53.04	12.19

STATEMENT OF COMPANY'S AFFAIRS

During the year under review, the Company achieved the sales turnover of ` 5300.02 Lacs as against ` 5608.39 Lacs of the previous financial year. The profit before tax and profit after tax are at ` 103.62 Lacs and ` 53.04 Lacs respectively for the Financial Year 2018 – 19 as ` 113.29 Lacs and ` 12.19Lacs for the previous financial year.

RESERVES

The Company has not transferred any amount to reserves during the year under review.

DIVIDEND

The Company is putting continuous effort to expand its existing infrastructure, so the Company is not in a position to declare any dividend for the year. Therefore no dividend is proposed to be declared.

DEPOSITS

The Company has not accepted any deposits from the public or its employees during the year under review.

CAPITAL

The paid up equity capital of the Company is ` 4,62,42,200 divided into 46,24,220 equity shares of ` 10 each. The Company has not come out with any issue of securities during the year.

MATERIAL CHANGES AND COMMITMENTS

The company has not made any material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of this report.

BOARD MEETINGS

Thirteen Meetings of Board of the Directors were convened and held during the year.

DIRECTORS

As on closing of the year, the board of directors was comprised of Five Directors with an optimum combination of Executive, Non Executive and Independent Directors. The composition of the Board and category of Directors is as follows:

S. NO.	NAME OF DIRECTOR	CATEGORY
1	Shri Saket Dalmia	Promoter, Managing & Executive Director
2	Shri Amit Dalmia	Non – Executive Director
3	Smt. Usha Sharma	Non – Executive Director
4	Shri Pradip Asopa	Independent Non – Executive Director
5	Shri Anil Kumar	Independent Non – Executive Director

The Board meets regularly and is responsible for the proper direction and management of the Company.

In accordance with the provisions of the Articles of Association of the Company, Mr. Amit Dalmia (DIN: 00083646) retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

Mr. Pradip Asopa (DIN: 03146430) and Mr. Anil Kumar (DIN: 02165151) had been re appointed as Independent Directors of the Company for another term of Five Years w.e.f. 01st April 2019.

DECLARATION GIVEN BY INDEPENDENT DIRECTORS

All the Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and Rules made there under and are independent of the management.

PROCEDURE FOR NOMINATION AND APPOINTMENT OF DIRECTORS

The Nomination and Remuneration Committee is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. The Nomination and Remuneration Committee reviews and evaluates the resumes of potential candidates vis-a-vis the required competencies. The Nomination and Remuneration Committee also meets with potential candidates, prior to making recommendations of their nomination to the Board. At the time of appointment, specific requirements for the position, including expert knowledge expected, is communicated to the appointee.

CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF A DIRECTOR

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of Section 178(3) of the Act.

Qualifications: A transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender. It is also ensured that the Board has an appropriate blend of functional and industry expertise. While recommending the appointment of a Director, the Nomination and Remuneration Committee considers the manner in which the function and domain expertise of the individual will contribute to the overall skill-domain mix of the Board.

Positive Attributes: In addition to the duties as prescribed under the Act, the Directors of the Board of the Company are also expected to demonstrate high standards of ethical behavior, strong interpersonal and communication skills and soundness of judgment. Independent Directors are also expected to abide by the Code of Independent Directors as outlined in Schedule IV to the Act

Independence: In accordance with the above criteria, a Director will be considered as an 'Independent Director' if he/she meets with the criteria for 'Independent Director' as laid down in the Companies Act, 2013.

ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF DIRECTORS

Pursuant to the provisions of the Act, the Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee has defined the evaluation criteria and the performance evaluation process for the Board, its Committees and Directors. The Board's functioning is evaluated on various aspects, including inter alia degree of fulfillment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

Directors were evaluated on aspects such as attendance, contribution at Board/Committee meetings and guidance/support to the management outside Board/Committee meetings. The Committees of the Board were assessed on the degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The performance evaluation of the Independent Directors was carried out by the Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Board, its Committees and the Directors.

The Chairman of the Board provided feedback to the Directors on the significant highlights with respect to the evaluation process of the Board.

AUDITORS:

STATUTORY AUDITORS: M/s. Ellahi Goel & Co., Statutory Auditors of the Company hold office till the conclusion of the ensuing Annual General Meeting.

SECRETARIAL AUDITOR: Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made there under, the Company had appointed M/s. R Miglani & Co., Company Secretaries to undertake the Secretarial Audit of the Company for the year ended on 31st March, 2019. The Secretarial Audit Report is annexed as **Annexure I**.

The Auditors' Report for the Financial Year ended 31st March, 2019 do not contain any qualification, reservation, adverse remark or disclaimer.

The Auditors have confirmed that, their appointment, if made, would be within the limits prescribed under Section 141(3) (g) of the Companies Act, 2013 and that they are not disqualified in terms of Section 139 of the Companies Act, 2013.

Qualification of Secretarial Auditor in Secretarial Audit Report for the Financial Year ended 31st March, 2019 is self explanatory.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the Statutory auditors nor the secretarial auditors have reported to the Audit Committee under Section 143(12) of the Companies Act, 2013 any instances of fraud committed against your Company by its officers and employees, the details of which would need to be mentioned in the Board's Report.

MAINTAINENCE OF COST RECORDS

Cost records have been made and maintained by your Company as specified by the Central Government under Sub-Section (1) of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014.

AUDIT COMMITTEE

As on closing of the year, the Audit Committee of the company comprised Three Non-Executive Directors, of which two of them are Independent. The Chairman of the committee is an independent Director having financial and accounting knowledge. The composition of Audit Committee and attendance of Directors at committee meetings is shown below:

Name of the Director	Designation	Attendance at Committee Meeting	
		Held	Attended
Mr. Pradip Asopa	Chairman	4	4
Mrs. Usha Sharma	Member	4	4
Mr. Anil Kumar	Member	4	4

Statutory Auditors were invited to participate in the meetings of Audit Committee wherever necessary.

During the financial year ended 31st March 2019 the Audit Committee of the company met four times. The dates of the meetings were 19th May 2018, 03rd August 2018, 03rd November 2018 and 01st February 2019.

The Board has accepted all the recommendations of the Audit Committee during the year.

KEY MANAGERIAL PERSONNEL

In compliance with provisions of Section 203 of the Companies Act, 2013, during the Financial Year 2016-17, The Managing Director, Chief Financial Officer and the Company Secretary have been nominated as Key Managerial Personnel.

Mr. Gaurav Kumar had resigned from the position of C.F.O. on 14th August 2018 and Mr. Sandeep Kumar, Chartered Accountant had been appointed as C.F.O – KMP of the Company.

INSURANCE

The Properties and insurable assets and interest of your Company such as buildings, plant & machinery and stocks among others, are adequately insured.

BONUS ISSUE

During the year the Company has not issued any bonus shares.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 (3) (c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) That in the preparation of the annual accounts for the financial year ended March 31, 2019 the applicable accounting standards had been followed along with proper explanation relating to material departures;

- (ii) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the year under review;
- (iii) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) That the directors had prepared the annual accounts on a going concern basis for the financial year ended on March 31, 2019;
- (v) 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
- (vi) 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.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The details of loans, guarantees and investments, if any, covered under the provisions of Section 186 of the Companies Act, 2013 have been stated in the notes to the Financial Statements forming part of Annual Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Pursuant to Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules 2014, the following information is provided:

A. CONSERVATION OF ENERGY

Our Company is not an energy intensive unit, however regular efforts are made to conserve energy.

B. RESEARCH AND DEVELOPMENT

The Company did not have any activity during the year.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year, the Company had made expenditure of ₹ 45,72,259.70 in foreign currency.

PARTICULARS OF EMPLOYEES AND REMUNERATION

Statement containing information as required under Section 197(12) of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure II**.

The detail of top ten employees in terms of remuneration drawn as per the provisions of Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have been included in **Annexure III**.

There were no other employees in receipt of remuneration as prescribed under the provisions of Rule 5 (2)(i), (ii) and (iii) and Rule 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

VIGIL MECHANISM FOR EMPLOYEES E.T.C.

Your Company has established a vigil mechanism for reporting of concerns which is in compliance of the provisions of Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and listing regulations. The Vigil Mechanism provides for framework and process whereby concerns can be raised by its employees against any kind of discrimination, harassment, victimization or other unfair practice being adopted by them. Adequate safeguards are provided against victimization to those who avail of the mechanism, and access to the Chairman of the Audit Committee, in exceptional cases, is provided to them.

ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, The Annual Return as on 31st March 2019 is available on your Company's website; www.pgil.com

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

SALES

During the year ended March 31, 2019, your company has achieved gross sales of ₹ 64,72,75,520.20 /- in the current financial year as against ₹ 65,05,26,902.57 /- during the previous financial year.

FORWARD LOOKING STATEMENTS

This MD&A includes information that is forward-looking in nature. Such statements concern the future earnings of the Company, its operations, its financial results and its financial situation. Such forward-looking statements can be identified through use of expressions such as “believe”, “foresee”, “anticipate”, “estimate”, “expect” and other similar types of terms. Such statements are based on the information available at the time that they were made and on the good faith of management according to information available at this time. The statements include an element of uncertainty and the actual results may be significantly different from the assumptions and estimations described in the forward looking statements.

The actual results will be affected by numerous factors over which the Company has no influence. Consequently, we recommend against placing undue trust in such forward-looking statements since future events and actual results may differ significantly from our forecasts.

The Industry: Opportunities & Threats

The Company's main business is cutting, finishing and trading of Imported Marbles, but it can be done only after the raw material has been purchased / imported.

P G Industry is exposed to risk of price fluctuation on raw materials as well as finished products in all its products as due to import of raw materials it has the risk of delaying or loss in the shipment which may cause rise in the price of the raw materials and finished goods too. Due to increase in the Import tariff or import duties it also affects the flexibility of the prices of the raw materials.

Business Outlook and Overview:

The main business of the Company is to Manufacture and Trading of Imported Marbles and Slabs. The Company's strategy is to strengthen its business with the objective of long term growth. Its growth depends on the development of the Real Estate Sector. Now a day's Real Estate Sector is developing day by day and the demand for the Imported Marbles also increasing day by day.

The Company's Import is based on the Government policies as laid by them.

Internal Control Systems and Cost:

The Company has a proper and adequate system of internal controls to ensure that all the assets are safeguarded, protected against loss from unauthorized use or disposition and that transactions are authorized, recorded and reported correctly. The company conducts audit of various departments based on an annual audit plan through Senior Executive of the Company along with the head of finance department. The views of the statutory auditors are also considered to ascertain the adequacy of the internal control system.

Human Resource Development:

The Company believes that its human resources have been pivotal force to accelerate the growth of the organization right from its inception and it has been the company's continuous endeavour to create an environment where people excel and feel a sense of belongingness to the organization. The Company makes a continuous and concerted efforts not only to groom its human resources to meet with the present and future challenges in the field of Technology and Management functions but also focuses on providing an environment conducive for growth of employees and organization in the rapidly changing industrial scenario. To support the growing and expanding business needs, talent acquisition and development at all levels have been regularly groomed through need based training & development programmes organized by inviting expert faculties from outside as well as with the help of internal faculties the employees to attend specialized training programmes organized by the reputed training institutes in the country.

The Company has always remained conscious about the importance of safety, environment and health aspects and accordingly, training programmes on safety awareness, etc were organized in house during the year.

The Company is continuously endeavoring to improve industrial relations by proactive initiatives / actions and results, very harmonious, cordial and healthy industrial relations though out the year led to an atmosphere conducive for the sustenance of growth and enrichment of value for the shareholders.

INTERNAL FINANCIAL CONTROLS

The Directors had laid down internal financial controls to be followed by the Company and such policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to 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.

INFORMATION REGARDING MERGER

The Board of Directors of the company in its meeting held on 22nd September, 2017 at 03:30 P. M. and concluded at 06:30 P.M. and on recommendation of Audit Committee, inter alia, approved the draft scheme of amalgamation of Priceless Overseas Limited (Unlisted Company) (amalgamating company) into P G Industry Limited (listed Company) (amalgamated company) with effect from closing hours of March 31, 2017 ("Appointed Date") pursuant to sections 230 to 232 of the Companies Act, 2013 and subject to approval of the NCLT, New Delhi Bench and such other authorities as may be required. The Company received Observation letter from BSE Limited under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on 21 February 2018.

Hon'ble NCLT, New Delhi Bench vide its Order Dated 29.05.2018 and 07.06.2018 ordered convening of meetings of Equity Shareholders of P G Industry Limited, Unsecured Creditors of P G Industry Limited and Priceless Overseas Limited on 30 July 2018 for approval of Draft Scheme of Amalgamation between P G Industry Limited and Priceless Overseas Limited. The aforesaid meetings were duly convened and held as per order of Hon'ble NCLT, Delhi Bench and passed required resolutions as per Section 230 of the Companies Act, 2013.

The Second motion Petition for approval of amalgamation is pending at Hon'ble NCLT bench at New Delhi for disposal.

DETAILS IN RESPECT OF FRAUDS

No fraud has been reported by auditors under sub – section (12) of section 143 of the Act other than those which are reportable to Central government.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

No order has been passed by the regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

CORPORATE GOVERNANCE REPORT

Your Company is not required to comply with the provisions of Corporate Governance according to Regulation 15 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

COMPLIANCE OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE ACT 2013:

Your Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENT

Your Directors express their sincere thanks and appreciation for the cooperation received from the Investors, Shareholders, Banks and Business Associates during the year under review. Your Directors also wish to place on record their appreciation for the excellent performance and contribution of the Employees to the Company's progress during the year under review.

For and on behalf of the Board

Place: New Delhi
Date: 23rd August 2019

Sd/-
Amit Dalmia
(Chairperson)
DIN:0003646



**Form no. MR-3
Secretarial Audit Report**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]
For the Financial year ended 31st March, 2019

To,
The Members,
P G INDUSTRY LIMITED
A - 30, S - 11, SECOND FLOOR,
KAILASH COLONY NEW DELHI-110048

I have conducted the Secretarial Audit of the compliance of applicable, statutory provisions and the adherence to good corporate practices by **P G INDUSTRY LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Opinion

Based on my 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2019 and made available to me, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder, as applicable;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowing. **(Not Applicable to the Company during the Audit Period);**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not Applicable to the Company during the Audit Period)**;
- 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;

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

- i. The Secretarial Standards issued by the Institute of Company Secretaries of India.
- ii. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I report that, during the period under audit and review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

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

- a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, requiring compliance thereof by the Company during the financial year.

I further report that, based on the information provided and the representation made by the Company and also on the review of the compliance reports of Company Secretary / Chief Financial Officer taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes exist in the Company to monitor and ensure compliance with provisions of applicable general laws like Labour laws and Environmental laws.

I further report that;

- 1. The compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.
- 2. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- 3. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent with in prescribed limit, 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.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that 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.

I further report that during the audit period the company has not made any major changes in the following events/actions in pursuance of the below law, rules, regulations and guidelines.

- i. Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- ii. Redemption / buy-back of securities
- iii. Foreign technical collaborations

OBSERVATIONS & INFORMATIONS

- (i) As confirmed by the management I further report that during the audit period the Company has failed to comply with requirement of **Regulation 33(3) & Regulation 47(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Quarter ended March, 2018 & Quarter ended June, 2018** to file Financial Results with Stock Exchange within stipulated time as prescribed in the said regulations and consequently duly paid the fine as imposed by the Stock Exchange for the non-compliance.
- (ii) As confirmed by the management I further report that during the audit period the Company has failed to comply with **requirement of Reg.29 (1)(a) & (2) of the SEBI (LODR) Regulations, 2015 for the Quarter ended September, 2018** to give prior intimation of the Meeting of the Board of Directors to the concerned stock Exchanges within time prescribed in the said regulations and consequently duly paid the fine as on 11-12-2018 as imposed by the Stock Exchange for the non-compliance.
- (iii) The Board of Directors of the company in its meeting held on 22nd September, 2017 at 03:30 P. M. and concluded at 06:30 P.M. and on recommendation of Audit Committee, inter alia, approved the draft scheme of amalgamation of Priceless Overseas Limited (Unlisted Company) (amalgamating company) into P G Industry Limited (listed Company) (amalgamated company) with effect from closing hours of March 31, 2017 ("Appointed Date") pursuant to sections 230 to 232 of the Companies Act, 2013 and subject to approval of the NCLT, New Delhi Bench and such other authorities as may be required. The Company received Observation letter from BSE Limited under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on 21 February 2018.

Hon'ble NCLT, New Delhi Bench vide its Order Dated 29.05.2018 and 07.06.2018 ordered convening of meetings of Equity Shareholders of P G Industry Limited, Unsecured Creditors of P G Industry Limited and Priceless Overseas Limited on 30 July 2018 for approval of Draft Scheme of Amalgamation between P G Industry Limited and Priceless Overseas Limited. The aforesaid meetings were duly convened and held as per order of Hon'ble NCLT, Delhi Bench and passed required resolutions as per Section 230 of the Companies Act, 2013.

**For R MIGLANI & CO.
Company Secretaries**

Sd/-
CS Rajni Miglani
Proprietor
ACS: 30016; CP No: 11273

Place: New Delhi
Date: 30th May, 2019

Report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.



R MIGLANI & CO.

COMPANY SECRETARIES

207, D.R. CHAMBERS, D.B GUPTA ROAD,
KAROL BAGH, NEW DELHI 110005

MB: 9711560406, Ph. Off: 011-43012149

Email: csrajnimiglani@gmail.com

'Annexure A'

To,
The members,
P G INDUSTRY LIMITED
A - 30, S - 11, SECOND FLOOR,
KAILASH COLONY NEW DELHI-110048

Our report of even date is to be read along with this letter.

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 process 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 process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

For R MIGLANI & CO.
Company Secretaries

Sd/-
CS Rajni Miglani
Proprietor
ACS: 30016; CP No: 11273

Place: New Delhi
Date: 30th May, 2019

PARTICULARS OF EMPLOYEES AND REMUNERATION

[Pursuant to Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

Explanation: (i) the expression “median” means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one;
(ii) if there is an even number of observations, the median shall be the average of the two middle values)

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year:

Name of the Director	Ratio to Median
Mr. Saket Dalmia – Managing Director	7.10
Mr. Amit Dalmia – Director	7.10
Mr. Pardip Asopa – Director	N. A.
Mr. Anil Kumar – Director	N. A.
Mrs. Usha Sharma – Director	N. A.

2. The percentage increase in remuneration of each Director, Chief Financial Officer, and Company Secretary in the Financial Year:

Name of the Director, C. F. O and C S	Percentage increase in Remuneration
Mr. Saket Dalmia – Managing Director	NIL
Mr. Amit Dalmia – Director	NIL
Mr. Pardip Asopa – Director	NIL
Mr. Anil Kumar – Director	NIL
Mr. Sandeep Kumar – Chief Financial Officer	NIL
Mr. Davender Kumar – Company Secretary	16.67

3. The percentage increase in the median remuneration of employees in the Financial Year:

(2.52)

4. The number of permanent employees on the rolls of Company:

Twenty Eight

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentile Increase in the salaries of Employees 21.46

The Company has made new recruitments due to which average percentile Increase in the salaries of employees is quite high. The new recruitments have been done to expand business for the Company.

Average percentile Increase in Managerial Remuneration 0.00

6. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company.

Place: New Delhi
Date: 23rd August 2019

For and on behalf of the Board

Sd/-
Amit Dalmia
(Chairperson)

Annexure - III

The detail of top ten employees in terms of remuneration drawn as per the provisions of Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name	Designation	Remuneration received (In Lacs)	Nature of Employment	Qualification or Experience	Date of commencement of Employment	Age of Employee	The Last employment held by such employee before joining the Company	The Percentage of equity shares held by the employee in the Company	Whether relative of any Director or manager of the Company and if so, Name of such Director or Manager
SANJAY KUMARIA	BUSINESS HEAD	24.00	NON CONTRACTUAL	POST GRADUATE	15-Feb-18	52	BUSINESS HEAD - STONEX INDIA PVT. LTD.	NIL	N. A.
SHAILENDRA SINGH	MANAGER - SALES	18.00	NON CONTRACTUAL	GRADUATE	03-Mar-17	54	NATIONAL SALES HEAD - DUBOND INDIA PRIVATE LIMITED	NIL	N. A.
ASHWANI AJAY SINGH	MANAGER - SALES (WEST)	14.40	NON CONTRACTUAL	POST GRADUATE	12-Dec-16	37	SALES & OPERATIONAL HEAD - C. BHOGILAL WEST ENT	NIL	N. A.
AJAZ AHMED DAGA	RETAIL DIVISION HEAD	14.30	NON CONTRACTUAL	GRADUATE	06-Dec-16	30	STORE DIRECTOR - LA MARTINA NEW DELHI	NIL	N. A.
ROHIT KHANNA	REGIONAL MANAGER - PUNJAB	9.43	NON CONTRACTUAL	GRADUATE	18-Jun-18	35	MANAGER - BD, STONEX INDIA PVT. LTD.	NIL	N. A.
PANKAJ BABBAR	SHOWROOM MANAGER - SALES	9.00	NON CONTRACTUAL	GRADUATE	18-Jul-16	46	SALES MANAGER (CORPORATE) - SOFT LABS INDIA, NEW DELHI	NIL	N. A.
DARA SINGH RANA	SR. MANAGER - BD	8.80	NON CONTRACTUAL	MBA (Marketing)	21/05/2018	35	Assistant manager- Business DevelopmentatThe Ddecor Store	NIL	N. A.
AMAN AGARWAL	ACCOUNTS HEAD	8.70	NON CONTRACTUAL	CHARTERED ACCOUNTANT	30-Mar-15	44	MANAGER - ACCOUNTS, VANASTHALI TEXTILE INDUSTRIES LIMITED	NIL	N. A.
ASHOK SHARMA	MANAGER - MIS	8.68	NON CONTRACTUAL	POST GRADUATE	15-Jul-17	39	OPERATIONAL HEAD - M & W FASHION PRIVATE LIMITED	NIL	N. A.
AMRINDER SINGH	MANAGER - PROJECT SALES	8.58	NON CONTRACTUAL	MBA (RETAIL MANAGEMENT)	18-Apr-19	32	STORE MANAGER, BIRD RETAIL PVT LTD	NIL	N. A.

P G INDUSTRY LIMITED

Regd. Off: A – 30, S – 11, Second Floor, Kailash Colony, New Delhi – 110048

CIN: L74899DL1993PLC056421

DECLARATION ON NON APPLICABILITY OF CERTAIN PROVISIONS OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

**To
The Members
P G Industry Limited**

This is to certify that **M/s. P G Industry Limited** having its Registered Office at A – 30, S – 11, Second Floor, Kailash Colony, New Delhi – 110048 has paid up Equity Share Capital of ` 4,62,42,200 /- (Rupees Four Crore Sixty Two Lacs Forty Two Thousand and Two Hundred Only) and net worth of ` 12,63,82,633.10 /- (Rupees Twelve Crores Sixty Three Lacs Eighty Two Thousand Six Hundred Thirty Three and Ten Paise Only) as per the Balance Sheet as on 31st March 2019. Therefore, compliance with the provisions of Corporate Governance is not applicable.

Place: New Delhi
Date: 23rd August 2019

For P G INDUSTRY LIMITED

Sd/-
Davender Kumar
Company Secretary
Mem. No. 30043

P G INDUSTRY LIMITED

Regd. Off: A – 30, S – 11, Second Floor, Kailash Colony, New Delhi – 110048

CIN: L74899DL1993PLC056421

Chief Executive Officer (CEO) and Chief Finance Officer (CFO) **Certification**

We, Saket Dalmia, Managing Director and Sandeep Kumar, C. F O., to the best of our knowledge and belief, certify that:

- 1) We have reviewed financial statement and the cash flow statement for the year and that to the best of our knowledge and belief:
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
 - b) These statements together present a true and fair view of the Company's affairs and are compliance with existing accounting standard, applicable laws and regulations.
- 2) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or which violate the company's code of conduct.
- 3) We are responsible for establishing and maintaining internal controls for financial reporting and we have:
 - a) Evaluated the effectiveness of internal control systems of the company pertaining to financial reporting;
 - b) Disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware.
 - c) The steps they have taken or propose to take to rectify these deficiencies.
- 4) We have indicated to the company's auditors and the Audit committee of the Board of Directors
 - (a) Significant changes that have occurred in the internal control over financial reporting during the year;
 - (b) All significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements;
 - (c) Instances of significant fraud, if any, of which we are aware and the involvement therein of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: New Delhi
Date: 30/05/2019

Sd/-
Saket Dalmia
Managing Director
DIN: 00083636

Sd/-
Sandeep Kumar
C. F. O.
ACA – 437299

INDEPENDENT AUDITOR’S REPORT

To the Members of
P G Industry Limited

Report on the Audit of Standalone Financial Statements:

Opinion

We have audited the accompanying standalone financial statements of **P G Industry Limited** (“the Company”), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss, Statement of Cash Flows, the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (Hereinafter referred as “Standalone Financial Statements”).

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 (“the Act”) 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 31st March 2019, and profit (including other comprehensive income), 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 Act. Our responsibilities under those SAs 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 Act 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 (‘KAM’) 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.

Management’s Responsibility on the Financial Statements

The Company’s management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements

that give a true and fair view of the state of affairs, profit / loss, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. 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, management and Board of Directors are 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements 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 auditors' 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 auditors' 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 Requirement

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 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

- b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards;
- e) on the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013;
- 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company internal financial controls over financial reporting;
- g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to 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 no pending litigations which have the impact on its financial position in its financial statements;
 - ii. the Company is not required to make any provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. No amount is required to be transfer to the Investor Education and Protection Fund by the Company.

For Ellahi Goel & Co.
Chartered Accountants

Sd/-
(CA Mansoor Ellahi)
(Proprietor)
(M. No. 083750)

Place: New Delhi
Date: 30 May 2019

Annexure to Auditors' Report for the year ended on 31st March, 2019

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of P G Industry Limited on the accounts of the company for the year ended 31st March, 2019.

- 1) a) The company has maintained proper records showing full particulars including quantitative details and situations of fixed assets.

b) We are informed that management has carried out the physical verification of the fixed assets at reasonable intervals, which is considered reasonable having regard to the size of the Company and the nature of its business and no material discrepancies have been noticed on such physical verification to the extent verification was made during the year.

c) The title deeds of immovable properties are held in the name of the Company.
- 2) a) As explained to us physical verification of inventory has been conducted by the management during the year at reasonable intervals. The Company has maintained proper records of inventories and no material discrepancies were noticed on physical verification.
- 3) The company has not granted interest free unsecured loans to any party covered in the register maintained under section 189 of the Companies Act, 2013.
- 4) The company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of guarantee given to Vijaya Bank, Defence Colony, Delhi on behalf of Working Capital Loan taken by other Company.
- 5) According to the information and explanation given to us, the company has not accepted any deposits during the year from the public under the provisions of the sections 73 to 76 of the Act and the rules framed there.
- 6) As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under sub-section (1) of section 148 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- 7) (a) According to the information and explanation given to us, in our opinion, the company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty and Excise Duty, Value Added Tax, Goods & Service Tax, Cess and any other material statutory dues as applicable with the appropriate authorities.

(b) There are no undisputed amount payable in respect of such statutory dues which have remained outstanding as at 31st March, 2019 for a period more than six months from the date they became payable.

- 8) According to the records of the company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of its dues to banks and financial institutions.
- 9) As per information and explanation given to us, the company has not obtained any money raised by way of Initial Public Issue or Further Public Issue (including debt instruments) and term loan during the year.
- 10) No fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Managerial Remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- 12) The provisions of any Special Statute applicable to Nidhi Company are not applicable to the company.
- 13) All transactions with the related parties are in compliance with the provisions of sections 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the Financial Statements.
- 14) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- 15) The company has not entered into any non – cash transaction with directors or person connected with him.
- 16) The company is not required to be registered under section 45 – IA of the Reserve Bank of India Act, 1934.

For Ellahi Goel & Co.
Chartered Accountants

Sd/-
(CA Mansoor Ellahi)
(Proprietor)
(M. No. 083750)

Place: New Delhi
Date: 30 May 2019

(Referred to paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the members of P G Industry Limited of even date)

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 P G Industry Limited (“the Company”) as of 31st March 2019 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 Board of Directors of the Company 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 (‘ICAI’). 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 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.

Auditors’ 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements .

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 31st March 2019, 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 Ellahi Goel & Co.
Chartered Accountants

Sd/-
(CA Mansoor Ellahi)
(Proprietor)
(M. No. 083750)

Place: New Delhi
Date: 30th May 2019

P G Industry Limited
Balance Sheet as at 31st March, 2019

		Audited	Audited
Particulars	Notes	31-Mar-2019	31-Mar-2018
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3	84,063,123.26	88,309,330.03
(b) Intangible assets under development	4	210,739.72	285,369.86
(c) Financial assets			
(i) Investments	5	9,381.00	9,381.00
(d) Deferred tax assets (Net)	6	-	-
		84,283,243.99	88,604,080.89
(2) Current assets			
(a) Inventories	7	315,170,255.00	309,487,926.00
(b) Financial assets			
(i) Trade Receivables	8	103,514,736.68	102,530,377.27
(ii) Cash and cash equivalents	9	12,349,906.10	8,440,900.24
(iii) Loans and advances	10	39,747,487.34	64,139,758.72
		470,782,385.12	484,598,962.23
TOTAL		555,065,629.11	573,203,043.12
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	11	46,242,200.00	46,242,200.00
(b) Other equity	12	80,140,433.10	74,836,591.60
		126,382,633.10	121,078,791.60
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	183,383,783.52	181,435,143.88
(b) Provisions	16	-	-
(c) Deferred tax liabilities (Net)	6	3,337,675.00	3,602,392.00
		186,721,458.52	185,037,535.88
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	147,492,426.40	163,159,086.17
(ii) Trade payables	15	55,733,593.28	69,035,279.03
(b) Other current liabilities	15	35,237,849.81	30,762,199.44
(c) Short-term provisions	16	3,497,668.00	4,130,151.00
		241,961,537.49	267,086,715.64
TOTAL		555,065,629.11	573,203,043.12
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Ellahi Goel & Co.
Chartered Accountants

Sd/-

CA Mansoor Ellahi
(Partner)

Membership No.- 83750

Firm Regn. No.- 005147 N

Place: New Delhi

Date: 30th May, 2019

As approved

For and on behalf of the Board of Directors

Sd/-

Saket Dalmia
(Managing Director)
DIN: 00083636

Sd/-

Amit Dalmia
(Director)
DIN: 00083646

Sd/-

Davender Kumar
Company Secretary
ACS-30043

Sd/-

Sandeep Kumar
C.F.O.
ACA - 437299

P G Industry Limited

(Amount in Rs.)

Statement of Profit and Loss for the period ended 31st March, 2019

Particulars	Notes	Audited	Audited
		31-Mar-2019	31-Mar-2018
Income			
Revenue from operations (gross)	17	647,275,520.20	650,526,902.57
Less: Sales Tax/GST		117,273,248.39	89,688,279.98
Revenue from operations (net)		530,002,271.81	560,838,622.59
Other income	18	1,071,168.39	725,069.00
Total Revenue (I)		531,073,440.20	561,563,691.59
Expenses			
Cost of Materials Consumed	19	381,813,360.11	412,255,261.39
Employee benefit expenses	20	36,355,647.00	30,762,492.00
Finance costs	21	31,705,665.16	28,811,216.46
Depreciation and amortisation expense	3&4	5,388,522.40	4,950,685.70
Other expenses	22	65,447,945.03	73,455,061.99
Total (II)		520,711,139.70	550,234,717.54
Profit/ (loss) before exceptional items and tax		10,362,300.49	11,328,974.05
Exceptional items		-	-
Profit/ (loss) before tax		10,362,300.49	11,328,974.05
Tax Expenses			
Current Year tax		3,497,668.00	4,130,151.00
Deferred tax charge / (credit)		(264,717.00)	5,616,184.00
Income tax adjustment for earlier years		1,825,508.00	364,102.00
Total Tax Expense		5,058,459.00	10,110,437.00
Total Comprehensive Income for the year		5,303,841.49	1,218,537.05
Earnings per share	23	1.15	0.26
Basic and diluted [Nominal value of shares Rs 10/- (Previous year Rs 10/-)]			
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For Ellahi Goel & Co.
Chartered Accountants

Sd/-
CA Mansoor Ellahi
(Partner)
Membership No.- 83750
Firm Regn. No.- 005147 N
Place: New Delhi
Date: 30th May, 2019

As approved
For and on behalf of the Board of Directors

Sd/-
Saket Dalmia
(Managing Director)
DIN: 00083636

Sd/-
Davender Kumar
Company Secretary
ACS-30043

Sd/-
Amit Dalmia
(Director)
DIN: 00083646

Sd/-
Sandeep Kumar
C.F.O.
ACA - 437299

P G Industry Limited
Cash Flow Statement for the year ended 31st March, 2019

(Amount in Rs.)

Particulars	31-Mar-2019	31-Mar-2018
A. Cash flow from operating activities		
Net Profit before Tax	10,362,300.49	11,328,974.05
Adjustments for		
Depreciation and amortisation expense	5,388,522.40	4,950,685.70
Rental Income	(72,000.00)	(72,000.00)
Loss/ (Profit) on sale of Motor Vehicle	-	367,600.58
Interest income	(717,278.00)	(653,069.00)
Interest expense	31,705,665.16	28,811,216.46
Operating profit before working capital changes	46,667,210.05	44,733,407.79
Movement in working capital:		
(Increase)/Decrease in Trade Investments	-	105,000.00
(Increase)/Decrease in Trade Receivables	(984,359.41)	(8,035,683.83)
(Increase)/Decrease in Inventories	(5,682,329.00)	(71,558,264.00)
(Increase)/Decrease in Current Loans and Advances	24,392,271.38	(723,501.87)
(Decrease)/Increase in Trade Payables	(13,301,685.75)	35,890,862.80
(Decrease)/Increase in Other Current Liabilities	4,475,650.37	(6,016,099.47)
Cash generated from operations	55,566,757.65	(5,604,278.58)
Direct taxes paid	(5,955,659.00)	(3,016,497.00)
Net cash generated from operating activities (A)	49,611,098.65	(8,620,775.58)
B. Cash flow from investing activities		
Purchase of fixed assets, CWIP and capital advance	(1,067,685.50)	(15,759,139.40)
Sale of Motor Vehicle	-	4,668,900.00
Rent Received	72,000.00	72,000.00
Interest received	717,278.00	653,069.00
Net cash (used in) investing activities (B)	(278,407.50)	(10,365,170.40)
C. Cash flow from financing activities		
Proceeds / (Repayment) of long term borrowings	1,948,639.64	48,105,056.97
Proceeds from / (Repayment of) short term borrowings	(15,666,659.77)	(13,178,202.97)
Interest paid	(31,705,665.16)	(28,811,216.46)
Net cash generated from / (used in) financing activities (C)	(45,423,685.29)	6,115,637.54
Net Increase in cash and cash equivalents (A+B+C)	3,909,005.86	(12,870,308.44)
Cash & cash equivalents at the begining of the year	8,440,900.24	21,311,208.68
Cash & cash equivalents at the end of the year	12,349,906.10	8,440,900.24

P G Industry Limited

(Amount in Rs.)

Cash Flow Statement for the year ended 31st March, 2019

Particulars	31-Mar-2019	31-Mar-2018
Components of cash & cash equivalents as at 31 March		
Cash on hand	233,327.00	356,083.13
Balances with Scheduled banks:		
On Current accounts	338,235.10	263,114.11
On Fixed deposit accounts	11,778,344.00	7,821,703.00
Balances with non-scheduled banks - on current account		
	<u>12,349,906.10</u>	<u>8,440,900.24</u>

Notes:

- 1 The above Cash Flow Statement has been prepared under the "Indirect Method" as stated in Accounting Standard 3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India.
- 2 Negative Figures have been shown in brackets.

As per our report of even date
For Ellahi Goel & Co.
Chartered Accountants

As approved
For and on behalf of the Board of Directors

Sd/-
CA Mansoor Ellahi
(Partner)
Membership No.- 83750
Firm Regn. No.- 005147 N
Place: New Delhi
Date: 30th May, 2019

Sd/-
Saket Dalmia
(Managing Director)
DIN: 00083636

Sd/-
Amit Dalmia
(Director)
DIN: 00083646

Sd/-
Davender Kumar
Company Secretary
ACS-30043

Sd/-
Sandeep Kumar
C.F.O.
ACA - 437299

P G INDUSTRY LIMITED

Statement of changes in Equity for the period ended 31st March, 2019

Particulars	Notes	Reserves and surplus				Other reserves			Total
		Equity Share Capital	General reserve	Capital reserve	Capital redemption reserve	Retained earnings	Instruments through Other Comprehensive Income	Hedging reserve	
As at April 1, 2018	12,13	46,242,200.00	2,862,173.00	-	-	71,974,418.60	-	-	121,078,791.60
Profit for the period		-	-	-	-	5,303,841.49	-	-	5,303,841.49
Other comprehensive income		-	-	-	-	-	-	-	-
Interim equity dividend including taxes thereon		-	-	-	-	-	-	-	-
Transfer from retained earnings to general reserve		-	-	-	-	-	-	-	-
TDS & Depreciation Adjustment		-	-	-	-	-	-	-	-
As at March 31, 2019		46,242,200.00	2,862,173.00	-	-	77,278,260.10	-	-	126,382,633.10

Statement of changes in Equity for the period ended 31st March, 2018

Particulars	Notes	Reserves and surplus				Other reserves			Total
		Equity Share Capital	General reserve	Capital reserve	Capital redemption reserve	Retained earnings	Instruments through Other Comprehensive Income	Hedging Reserve	
As at April 1, 2017	12,13	46,242,200.00	2,862,173.00	-	-	70,755,881.55	-	-	119,860,254.55
Profit for the period		-	-	-	-	1,218,537.05	-	-	1,218,537.05
Other comprehensive income		-	-	-	-	-	-	-	-
Interim equity dividend including taxes thereon		-	-	-	-	-	-	-	-
Transfer from retained earnings to general reserve		-	-	-	-	-	-	-	-
Adjustment for Depreciation		-	-	-	-	-	-	-	-
As at March 31, 2018		46,242,200.00	2,862,173.00	-	-	71,974,418.60	-	-	121,078,791.60

P G Industry Limited

Notes to financial statements for the year ended 31st March 2019

1 Nature of Operations

P G Industry Limited (hereinafter referred to as 'the Company') was incorporated on December 13, 1993. The Company is a Public Limited company and its shares are listed on the Bombay Stock Exchange Limited (BSE Limited) & The Calcutta Stock Exchange and is engaged in the manufacturing and selling of Marble Blocks/Slabs.

2 Statement of Significant Accounting Policies

a Basis of preparation of Financial Statements

The accounts of the Company are prepared on going concern basis, under the historical cost convention, as per applicable accounting standards and generally accepted Accounting principles, and the company adopts the accrual basis in the preparation of the accounts, unless otherwise stated.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

Statement of Compliance:

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 ("the Companies Act"), as applicable. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements are authorised for issue by the Board of Directors of the Company at their meeting held on 30th May 2019.

Functional and Presentation Currency:

The financial statements are presented in Indian Rupees, which is the functional currency of the Company.

b Property Plant & Equipment and Intangible Assets

i) Property Plant & Equipment are stated at original cost of acquisition and includes insurance, freight, Finance Charge and installation expenses.

ii) The costs of leasehold land shown in the balance sheet represent the consideration paid to RIICO at the time of transfer in favour of the Company.

iii) Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any.

c Depreciation

The Company depreciates property, plant and equipment over the estimated useful life on a written down value basis from the date the assets are available for use. The estimated useful life of assets are reviewed and where appropriate are adjusted, annually.

Lease hold land is not depreciable.

The amortization of an intangible asset has been made as per stright line method with a finite useful life reflects the manner in which the economic benefit is expected to be generated.

d Impairment of Property Plant & Equipment and Intangible Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value, an impairment loss is charged to the statement of profit and loss in the year in which asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been change in the estimate of recoverable amount. No impairment Profit or Loss has been identified during the year.

e Valuation of Inventories

Inventories are valued as follows:

Inventories are valued at cost. Cost includes cost for manufactured goods/process stock components of material, custom duty, shipping freight, inland freight, transportation cost, consumables and labour charges etc. Closing stock has been calculated following FIFO method.

f Foreign currency transactions

Transactions in the foreign exchange are recorded at prevailing rate on/or near to the date of transaction. All exchange gains and losses are accounted for in the Profit and Loss Account.

g Revenue recognition

(i) Sale of goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

h Segment Reporting Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

i Retirement and other employee benefits

Retirement benefits in the form of Provident Fund are defined contribution schemes and the contributions are charged to the Profit and Loss Account of the year when the contribution to the fund is due. There are no other obligations other than the contribution payable to that fund.

j Finance cost

Finance cost comprise interest cost on borrowings made by company.

k Income tax

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

l Earning Per share

Basic Earning Per Share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating Diluted Earning Per Share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

m Provision, Contingent liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation.

P G Industry Limited

Note-3 Property Plant & Equipment

The Changes in Carrying Value of property, plant & equipment for the year ended March 31, 2019

Particulars	Land	Factory Buildings	Plant & Machinery	Furniture & Fixtures	Office Equipment	Vehicles	Computer Equipment	Blades /Segments	Total
Gross Carrying Value as of April 1, 2018	44,013,879.50	11,180,313.86	47,513,211.60	1,929,369.00	1,300,207.00	21,027,244.00	1,472,881.64	-	128,437,106.60
Additions	-	-	-	-	938,665.28	-	129,020.22	-	1,067,685.50
Deletions	-	-	-	-	-	-	-	-	-
Gross Carrying Value as of March 31, 2019	44,013,879.50	11,180,313.86	47,513,211.60	1,929,369.00	2,238,872.28	21,027,244.00	1,601,901.86	-	129,504,792.10
Accumulated Depreciation as of April 1, 2018	-	5,542,991.50	23,590,502.20	1,051,745.49	525,439.65	8,092,625.82	1,324,471.90	-	40,127,776.57
Depreciations	-	265,065.98	2,168,822.82	235,365.60	334,552.42	2,184,896.51	125,188.94	-	5,313,892.26
Accumulated Depreciation on Deletion	-	-	-	-	-	-	-	-	-
Adj. With Retained Earning	-	-	-	-	-	-	-	-	-
Accumulated Depreciation as of March 31, 2019	-	5,808,057.48	25,759,325.02	1,287,111.09	859,992.07	10,277,522.34	1,449,660.84	-	45,441,668.84
Carrying Value as of March 31, 2019	44,013,879.50	5,372,256.38	21,753,886.58	642,257.91	1,378,880.21	10,749,721.66	152,241.02	-	84,063,123.26
Carrying Value as of April 1, 2018	44,013,879.50	5,637,322.36	23,922,709.40	877,623.51	774,767.35	12,934,618.18	148,409.74	-	88,309,330.03

P G Industry Limited

Note 3 Property Plant & Equipment

The Changes in Carrying Value of property, plant & equipment for the year ended March 31, 2018

Particulars	Land	Factory Buildings	Plant & Machinery	Furniture & Fixtures	Office Equipment	Vehicles	Computer Equipment	Blades /Segments	Total
Gross Carrying Value as of April 1, 2017	44,013,879.50	11,180,313.86	47,513,211.60	1,929,369.00	1,776,107.00	11,023,117.00	1,446,160.24	738,050.00	119,620,208.20
Additions	-	-	-	-	225,000.00	15,207,418.00	26,721.40	-	15,459,139.40
Deletions	-	-	-	-	700,900.00	5,203,291.00	-	738,050.00	6,642,241.00
Gross Carrying Value as of March 31, 2018	44,013,879.50	11,180,313.86	47,513,211.60	1,929,369.00	1,300,207.00	21,027,244.00	1,472,881.64	-	128,437,106.60
Accumulated Depreciation as of April 1, 2017	-	5,277,925.53	21,421,679.39	816,379.89	875,323.10	6,808,100.74	1,140,259.23	457,793.56	36,797,461.43
Depreciations	-	265,065.98	2,168,822.82	235,365.60	351,016.55	1,451,315.51	184,212.67	280,256.44	4,936,055.56
Accumulated Depreciation on Deletion	-	-	-	-	700,900.00	166,790.42	-	738,050.00	1,605,740.42
Adj. With Retained Earning	-	-	-	-	-	-	-	-	-
Accumulated Depreciation as of March 31, 2018	-	5,542,991.50	23,590,502.20	1,051,745.49	525,439.65	8,092,625.82	1,324,471.90	0.00	40,127,776.57
Carrying Value as of March 31, 2018	44,013,879.50	5,637,322.36	23,922,709.40	877,623.51	774,767.35	12,934,618.18	148,409.74	(0.00)	88,309,330.03
Carrying Value as of April 1, 2017	44,013,879.50	5,902,388.33	26,091,532.21	1,112,989.11	900,783.90	4,215,016.26	305,901.01	280,256.44	82,822,746.77

P G Industry Limited

Note 4 Intangible Assets

The Changes in Carrying Value of Intangible Assets for the year ended March 31, 2019

Particulars	Content Development	Intangible Asset under Development	Total
Gross Carrying Value as of April 1, 2018		300,000.00	300,000.00
Additions		-	-
Deletions	-	-	-
Gross Carrying Value as of March 31, 2019	-	300,000.00	300,000.00
Accumulated Depreciation as of April 1, 2018	-	14,630.14	14,630.14
Depreciations	-	74,630.14	74,630.14
Accumulated Depreciation on Deletion	-	-	-
Accumulated Depreciation as of March 31, 2019	-	89,260.28	89,260.28
	-	210,739.72	210,739.72
Carrying Value as of March 31, 2019			
Carrying Value as of April 1, 2018	-	285,369.86	285,369.86

Note 4 Intangible Assets

The Changes in Carrying Value of Intangible Assets for the year ended March 31, 2018

Particulars	Content Development	Intangible Asset under Development	Total
Gross Carrying Value as of April 1, 2017	-	-	-
Additions	-	300,000.00	300,000.00
Deletions	-	-	-
Gross Carrying Value as of March 31, 2018	-	300,000.00	300,000.00
Accumulated Depreciation as of April 1, 2017	-	-	-
Depreciations	-	14,630.14	14,630.14
Accumulated Depreciation on Deletion	-	-	-
Depreciation Adjustment	-	-	-
Accumulated Depreciation as of March 31, 2018	-	14,630.14	14,630.14
	-	285,369.86	285,369.86
Carrying Value as of March 31, 2018			
Carrying Value as of April 1, 2017	-	-	-

P G Industry Limited
Notes to financial statements for the Period ended 31st March, 2019
Audited
Audited
5. Non-current investments

Particulars	31-Mar-19	31-Mar-18
Trade investments (valued at cost unless stated otherwise)		
Unquoted equity instruments		
Investment in equity instruments	9,381.00	9,381.00
	<u>9,381.00</u>	<u>9,381.00</u>
Aggregate amount of Quoted Investment	-	-
Market Value of Quoted Investment	-	-
Aggregate amount of Unquoted Investment	9,381.00	9,381.00
Aggregate amount of impairment in value of Investment	-	-

6. Deferred tax Assets (net)

Particulars	31-Mar-19	31-Mar-18
Deferred tax assets		
Impact of expenditure charged to the statement of profit and loss in the current year/ earlier years but allowable for tax purposes on income basis	-	-
Gross deferred tax assets (A)	<u>-</u>	<u>-</u>
Deferred tax liabilities		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	3,337,675.00	3,602,392.00
Payment of statutory dues allowable under Income Tax Act, 1961 but not charged to the statement of profit and loss		
Gross deferred tax liabilities (B)	<u>3,337,675.00</u>	<u>3,602,392.00</u>
Net deferred tax assets (Liability) (A-B)	<u>(3,337,675.00)</u>	<u>(3,602,392.00)</u>

7. Inventories (valued at lower of cost & net realisable value)

Particulars	Non-current		Current	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Raw materials			45,068,505.00	51,711,100.00
Stores and spare			1,632,530.00	1,310,400.00
Finished goods			268,469,220.00	256,466,426.00
	<u>-</u>	<u>-</u>	<u>315,170,255.00</u>	<u>309,487,926.00</u>

8. Trade receivables

Particulars	Non-current		Current	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Unsecured, considered good unless stated otherwise				
Outstanding for a period exceeding six months from the date they are due for payment				
Unsecured, considered good			42,514,361.82	39,077,842.79
Secured, considered good				
(A)	<u>-</u>	<u>-</u>	<u>42,514,361.82</u>	<u>39,077,842.79</u>
Other receivables				
Unsecured, considered good			61,000,374.86	63,452,534.48
Secured, considered good				
(B)	<u>-</u>	<u>-</u>	<u>61,000,374.86</u>	<u>63,452,534.48</u>
Total (A + B)	<u>-</u>	<u>-</u>	<u>103,514,736.68</u>	<u>102,530,377.27</u>

P G Industry Limited
Notes to financial statements for the Period ended 31st March, 2019

	Audited		Audited	
9. Cash and bank balances	Non-current		Current	
Particulars	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Cash and cash equivalents				
Balances with banks:				
On current accounts			338,235.10	263,114.11
Cash in hand			233,327.00	356,083.13
(A)	-	-	571,562.10	619,197.24
Other bank balances:				
Deposits with original maturity of more than 12 months			599,981.00	683,761.00
Deposits with original maturity of more than 3 months but less than 12 months			11,178,363.00	7,137,942.00
(B)	-	-	11,778,344.00	7,821,703.00
Total (A + B)	-	-	12,349,906.10	8,440,900.24
10. Loans and advances	Non-current		Current	
Particulars	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Security Deposits				
Secured, considered good				
Unsecured, considered good			1,842,089.51	1,827,339.51
(A)	-	-	1,842,089.51	1,827,339.51
Advances recoverable in cash or in kind or for value to be received, considered good unless stated otherwise				
Secured, considered good				
Unsecured, considered good			24,313,495.45	24,351,976.00
(B)	-	-	24,313,495.45	24,351,976.00
Unsecured, considered good				
Income Tax Refund due			-	298,640.00
Income Tax Refund due AY 2009-10			-	146,769.00
Income Tax Refund due AY 2010-11			-	6,839.00
Income Tax Refund due [AY 2011-12]			-	853,679.00
Income Tax Refund due [AY 2012-13]			-	177,632.00
Tax Deducted at Source [AY 2018-19]			-	86,640.00
Tax Deducted at Source [AY 2019-20]			84,822.00	-
TCS Receivable (AY 2018-19)			-	131,823.00
GST/Sales Tax Input			6,140,293.50	27,779,791.00
Intt on Security Electricity Behror Receivable			34,074.00	30,667.00
Additional Custom Duty Receivable on Slabs			-	945,684.00
Prepaid expenses			880,672.88	1,195,087.21
Advance to Suppliers			3,952,040.00	3,807,192.00
Advance Custom Duty			2,500,000.00	2,500,000.00
(C)	-	-	13,591,902.38	37,960,443.21
Total (A+B+C)	-	-	39,747,487.34	64,139,758.72

P G Industry Limited
Notes to financial statements for the Period ended 31st March, 2019
Audited
Audited

11. Share capital		
Particulars	31-Mar-19	31-Mar-18
Authorised shares		
70,00,000 (Previous year 70,00,000) equity shares of Rs. 10/- each	70,000,000.00	70,000,000.00
Issued, subscribed and fully paid-up shares		
46,24,220 (Previous year 46,24,220) equity shares of Rs. 10/- each fully paid up	46,242,200.00	46,242,200.00
Total subscribed and fully paid-up share capital	46,242,200.00	46,242,200.00

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year

Equity shares	31-Mar-19		31-Mar-18	
	No. of shares	(Rs.)	No. of shares	(Rs.)
At the beginning of the year	4,624,220	46,242,200.00	4,624,220	46,242,200.00
Outstanding at the end of the year	4,624,220	46,242,200.00	4,624,220	46,242,200.00

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

(c) Details of shareholders holding more than 5% shares in the Company

Particulars	31-Mar-19		31-Mar-18	
	No. of shares	% holding in the class	No. of shares	% holding in the class
Equity shares of Rs. 10/- each fully paid				
VPS Constructions (P) Ltd.	708,621	15.32	707,321	15.30
PSH Constructions (P) Ltd.	690,349	14.93	687,838	14.87
Newlook Vinimay Pvt. Ltd.	741,914	16.04	732,864	15.85
Vishiv Trading Pvt. Ltd.	308,053	6.66	308,053	6.66
S V K Trading Pvt. Ltd.	477,532	10.33	477,532	10.33

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

12. Other Equity

Particulars	31-Mar-19	31-Mar-18
Retained Earnings		
Balance as per the last financial statement	71,974,418.60	70,755,881.55
Profit for the year	5,303,841.49	1,218,537.05
Net surplus in the statement of profit and loss	77,278,260.10	71,974,418.60
Total (A)	77,278,260.10	71,974,418.60
General Reserve		
Opening Balance	2,862,173.00	2,862,173.00
Total (B)	2,862,173.00	2,862,173.00
Total reserves and surplus (A+B)	80,140,433.10	74,836,591.60

P G Industry Limited
Notes to financial statements for the Period ended 31st March, 2019

Notes to financial statements for the Period ended 31st March, 2019		Audited	Audited
13. Long-term borrowings		Non-current portion	Non-current portion
Particulars		31-Mar-19	31-Mar-18
Term Loans			
Secured Loans			
-From ICICI Bank		3,904,899.10	4,859,883.10
(Secured against Hypothecation of Vehicle financed)			
-From HDFC Bank		1,192,202.75	1,999,589.43
(Secured against Hypothecation of Vehicle financed)			
Unsecured Loans			
-From Directors & Relatives		8,738,738.83	7,023,738.83
-From Others		171,466,816.00	169,314,303.20
		185,302,656.68	183,197,514.56
The above amount includes			
Secured borrowings		5,097,101.85	6,859,472.53
Unsecured borrowings		180,205,554.83	176,338,042.03
Amount disclosed under the head "other current liabilities" (refer note 15)		(1,918,873.16)	(1,762,370.68)
Net amount		183,383,783.52	181,435,143.88
14. Short-term borrowings			
Particulars		31-Mar-19	31-Mar-18
Cash credit facilities from banks (secured)		147,492,426.40	148,234,010.33
Buyers Credit from Banks (secured)		-	14,925,075.84
		147,492,426.40	163,159,086.17
The above amount includes:			
Secured borrowings		147,492,426.40	163,159,086.17
		147,492,426.40	163,159,086.17
Cash credit & Buyers Credit facility / Working Capital Loan from Vijaya Bank, Defence Colony amounting to Rs. 1474.92 lacs (Previous year Rs. 1631.59 lacs)			
together with interest and other charges are secured by way of hypothecation of all Company's Stock in trade and Book Debts, both present and future. This facility is further secured by way of hypothecation of immovable fixed assets of the company and personal guarantee of the directors.			
15. Other current liabilities			
Particulars		31-Mar-19	31-Mar-18
Trade payables		55,733,593.28	69,035,279.03
(A)		55,733,593.28	69,035,279.03
Other liabilities			
Current maturities of long term borrowings (refer note 13)		1,918,873.16	1,762,370.68
Others:			
Advances from customers		22,328,856.35	17,764,636.86
Sales tax/ VAT payable		-	21,661.58
Other payables		9,634,358.92	9,474,221.82
TDS payable		1,200,756.28	1,533,593.30
GST Payable		113,585.11	174,141.20
EPF Payable		28,490.00	21,860.00
ESI Payable		12,930.00	9,714.00
(B)		35,237,849.81	30,762,199.44
Total (A+B)		90,971,443.09	99,797,478.47
16. Provisions			
		Long term	Short term
Particulars		31-Mar-19	31-Mar-18
Other provisions			
Income tax provision		-	3,497,668.00
		-	3,497,668.00
		-	3,497,668.00

P G Industry Limited

(Amount in `)

Notes to financial statements for the Period ended 31st March, 2019

Audited

Audited

17. Revenue from operations

Particulars	31-Mar-19	31-Mar-18
Revenue from operations		
Sale of products	647,275,520.20	650,526,902.57
Revenue from operations (gross)	647,275,520.20	650,526,902.57
Less: Sales Tax/GST	117,273,248.39	89,688,279.98
Revenue from operations (net)	530,002,271.81	560,838,622.59

18. Other income

Particulars	31-Mar-19	31-Mar-18
Interest on Bank / Security deposits	717,278.00	653,069.00
Rent Received	72,000.00	72,000.00
Other Incomes	281,890.39	
	1,071,168.39	725,069.00

19. Cost of Materials Consumed

Particulars	31-Mar-19	31-Mar-18
Inventory at the beginning of the year	308,177,526.00	237,624,462.00
Add : Purchases & Direct Expenses	387,173,559.11	482,808,325.39
Less : Inventory at the end of the year	313,537,725.00	308,177,526.00
	381,813,360.11	412,255,261.39

20. Employee benefit expense

Particulars	31-Mar-19	31-Mar-18
Salary & Wages	32,328,323.00	26,716,641.00
Directors' Remuneration	3,600,000.00	3,600,000.00
Contribution to Provident and other funds	256,735.00	216,558.00
Staff Welfare	170,589.00	229,293.00
	36,355,647.00	30,762,492.00

P G Industry Limited

(Amount in `)

Notes to financial statements for the Period ended 31st March, 2019

Audited

Audited

21. Finance costs

Particulars	31-Mar-19	31-Mar-18
Interest expense	31,705,665.16	28,811,216.46
	31,705,665.16	28,811,216.46

22. Other Expenses

Particulars	31-Mar-19	31-Mar-18
Consumption of stores and spares	11,653,071.31	13,824,340.23
Power and fuel	3,648,455.93	5,350,060.00
Other Manufacturing expenses	826,662.45	1,368,572.95
Excise Duty paid	-	1,760,545.00
Repairs and maintenance:		
-Plant and machinery	846,053.38	1,410,642.62
-Godown	1,467,507.88	1,675,406.71
Rent	8,443,213.00	6,096,584.00
Rates, Fees and taxes	794,383.10	793,983.90
Insurance	567,221.79	814,780.60
Travelling and conveyance	13,590,972.30	13,004,132.38
Communication costs	415,615.09	693,793.02
Printing and stationary	141,072.08	159,934.53
Legal and professional fees	1,569,388.00	5,385,287.00
Electricity and diesel expenses	1,881,627.12	1,890,310.12
Payments to auditor	90,000.00	70,000.00
Freight and forwarding charges	4,459,365.08	4,308,893.72
Vehicle running and maintenance	383,400.59	623,999.23
Discount allowed	1,004,868.73	780,783.87
Advertisement and sales promotion	6,813,842.52	6,610,651.38
Bank charges	3,158,235.76	4,191,657.46
Penalty	619,626.00	471,022.00
Donation	51,000.00	76,000.00
Loss on Sale of Motor Vehicle	-	367,600.58
Commission Paid	1,823,875.00	808,749.00
Miscellaneous expenses	1,198,487.92	917,331.69
	65,447,945.03	73,455,061.99

23. Earning per equity share

Particulars	31-Mar-19	31-Mar-18
Net profit as per profit and loss statement	5,303,841.49	1,218,537.05
No. of equity shares at the beginning and closing of the period / year	4,624,220	4,624,220
Weighted average number of equity shares for calculating basic and diluted EPS	4,624,220	4,624,220
Basic and Diluted earnings per share (Rs.)	1.15	0.26

24. Auditor's Remuneration:-

Particulars	31-Mar-19	31-Mar-18
Audit fees	50,000.00	40,000.00
Tax audit fees	15,000.00	10,000.00
Limited review	25,000.00	20,000.00
Total	90,000.00	70,000.00

Notes to financial statements for the Period ended 31st March, 2019

Audited

Audited

25. Segment Information**Primary Segments**

The following is the distribution of the Company's consolidated sales (net of Excise duty & Sales Tax) by geographical market, regardless of where the goods were produced.

Particulars	31-Mar-19	31-Mar-18
Domestic Market	529,877,559.12	560,838,622.59
Overseas Markets	124,712.69	-
Total	530,002,271.81	560,838,622.59

26. Contingent liabilities (not provided for) in respect of

Particulars	31-Mar-19	31-Mar-18
(a) Corporate Guarantee given in favour of Body Corporate	125,500,000.00	125,500,000.00
(b) Bank Guarantee	28,947,468.81	-
Total	154,447,468.81	125,500,000.00

26.1 Value of Imports calculated on CIF Basis (on accrual basis)

Particulars	31-Mar-19	31-Mar-18
Raw materials	44,094,503.52	112,554,956.02
	44,094,503.52	112,554,956.02

26.2 Earnings in Foreign Currency (on accrual basis)

Particulars	31-Mar-19	31-Mar-18
Exports at F.O.B value	-	-
	-	-

26.3 Expenditure in Foreign Currency (on accrual basis)

Particulars	31-Mar-19	31-Mar-18
Travelling	4,572,259.70	5,495,907.00
	4,572,259.70	5,495,907.00

27. Quantity Details

Class of Goods	Marble Slabs/Tiles		Marble Blocks	
Particulars	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
	Qty (SQFT)	Qty (SQFT)	QTY (M.T.)	QTY (M.T.)
Opening Stock	1,132,904	658,176	1,529	1,855
Value (Rs.)	256,466,426	175,251,342	51,711,100	62,373,120
Purchase/ Processed	1,711,398	2,674,201	3,181	7,379
Sales/ Processed	1,753,341	2,199,473	3,389	7,706
Closing Stock	1,090,961	1,132,904	1,321	1,529
Value (Rs.)	268,469,220	256,466,426	45,068,505	51,711,100

Notes to financial statements for the Period ended 31st March, 2019

Audited

Audited

28. Imported and indigenous raw materials, components, stores and spares consumed

Particulars	% of total consumption		(`)	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Raw materials				
Imported	20.92%	49.06%	79,885,367.78	182,625,393.21
Indigenously obtained	79.08%	50.94%	301,927,992.33	189,607,341.08
	100.00%	100.00%	381,813,360.11	372,232,734.29
Stores and spares				
Imported	0.00%	0.00%	-	-
Indigenously obtained	100.00%	100.00%	11,653,071.31	13,824,340.23
	100.00%	100.00%	11,653,071.31	13,824,340.23

29. Related party disclosures

Key Management Personnel

- Mr. Saket Dalmia (Managing Director)
- Mr. Amit Dalmia (Director)
- Mrs. Manju Devi Dalmia (Relative)

Related party transactions

The following table provides the total amount of transactions those have been entered into with related parties for the relevant financial year:

Particulars	Key Management Personnel			
	31-Mar-19		31-Mar-18	
		(Rs. in lacs)		(Rs. in lacs)
Transactions for the year:				
Directors Remuneration paid		36.00		36.00
Rent Paid (Director and Relative)		37.80		7.80
Note: Transactions and balances relating to reimbursement of expenses to / from related parties have not been considered above.				

30. Income Tax assessment has been completed up to assessment year 2016-17. Sales Tax assessment has been completed up to financial year 2013-14

31. In the opinion of the management, all the Current Assets, Loan and Advances have a value at which they are stated in the Balance Sheet, if realized in the ordinary course of the business and the provision for all known liabilities are adequate and are not in excess of the amount payable.

32. The accounts of sundry Debtors/Creditors and advances are subjected to confirmation from parties.

33. Previous year figures have been re-arranged/re-grouped wherever necessary.

34. Notes No's 1 to 33 form an integral part of Balance Sheet and Statement of Profit and Loss Account.

As per our report of even date

For Ellahi Goel & Co.

Chartered Accountants

Sd/-
CA Mansoor Ellahi
 (Proprietor)
 Membership No.- 83750
 Firm Regn. No.- 005147 N
 Place: New Delhi
 Date: 30th May, 2019

As approved

For and on behalf of the Board of Directors

Sd/-
Saket Dalmia
 (Managing Director)
 DIN: 00083636

Sd/-
Davender Kumar
 Company Secretary
 ACS-30043

Sd/-
Amit Dalmia
 (Director)
 DIN:00083646

Sd/-
Gaurav Kumar
 C.F.O.
 FCA - 503399

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P G INDUSTRY LIMITED
CIN: L74899DL1993PLC056421

Regd. office: A – 30, S – 11, Second Floor, Kailash Colony, New Delhi – 110048

Contact No.: 011-26654053; Email Id: pgindustryld@gmail.com; Website: www.pgil.com

ATTENDANCE SLIP

I/We hereby record my presence at the 26th Annual General Meeting held on Monday, 30th September, 2019 at 10:00 A.M. at A – 30, S – 11, Second Floor, Kailash Colony, New Delhi – 110048.

Name of the Shareholders or Proxy (In Block Letters)	
No. of Shares Held	
Regd. Folio No.	
DP ID & Client ID	

Signature of the Shareholder

Note:

1. Please complete this attendance slip and hand it over at the entrance of the hall.
2. Members are requested to report at the venue of Meeting before 15 minutes from the start of Meeting.

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P G INDUSTRY LIMITED

CIN: L74899DL1993PLC056421

Regd. office: A – 30, S – 11, Second Floor, Kailash Colony, New Delhi – 110048

Contact No.: 011-26654053; Email Id: pgindustryld@gmail.com; Website: www.pgil.com

FORM NO. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Members	
Registered Address	
E – mail	
Folio No. / DP ID – Client ID	

I/We, being the member holding _____ shares of **P G Industry Limited**, hereby appoint

1. Name: _____ Address: _____ E-mail id: _____

Signature: _____, or failing him

2. Name: _____ Address: _____ E-mail id: _____

Signature: _____, or failing him

3. Name: _____ Address: _____ E-mail id: _____

Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **26th Annual General Meeting** of the Company to be held on Monday, 30th September, 2019 at 10:00 A. M. at **A – 30, S – 11, Second Floor, Kailash Colony, New Delhi – 110048** at any adjournment thereof in respect of such resolutions as are indicated below:

Res. No.	Resolution	Optional*	
		For	Against
	Ordinary Business:		
1.	To receive, consider and adopt the Annual Balance Sheet as at 31 st March, 2019		
2.	To appoint a Director in place of Mr. Amit Dalmia (DIN: 00083646), who retires by rotation and, being eligible, offers himself for reappointment		
3.	To appoint Statutory Auditors of the Company		
4.	To amend the title of incidental object clause of the memorandum of association		
5.	Deletion of the other objects clause of the memorandum of association		
6.	Amendment of the liability clause of the memorandum of association		
7.	Adoption of new articles of association in conformity with companies act, 2013		
8.	Sub – division of fully paid – up equity shares from the face value of ` 10/- to face value of ` 5/-		
9.	Amendment to clause v of the memorandum of association of the company		

Signed this day of2019.

Signature of shareholder.....

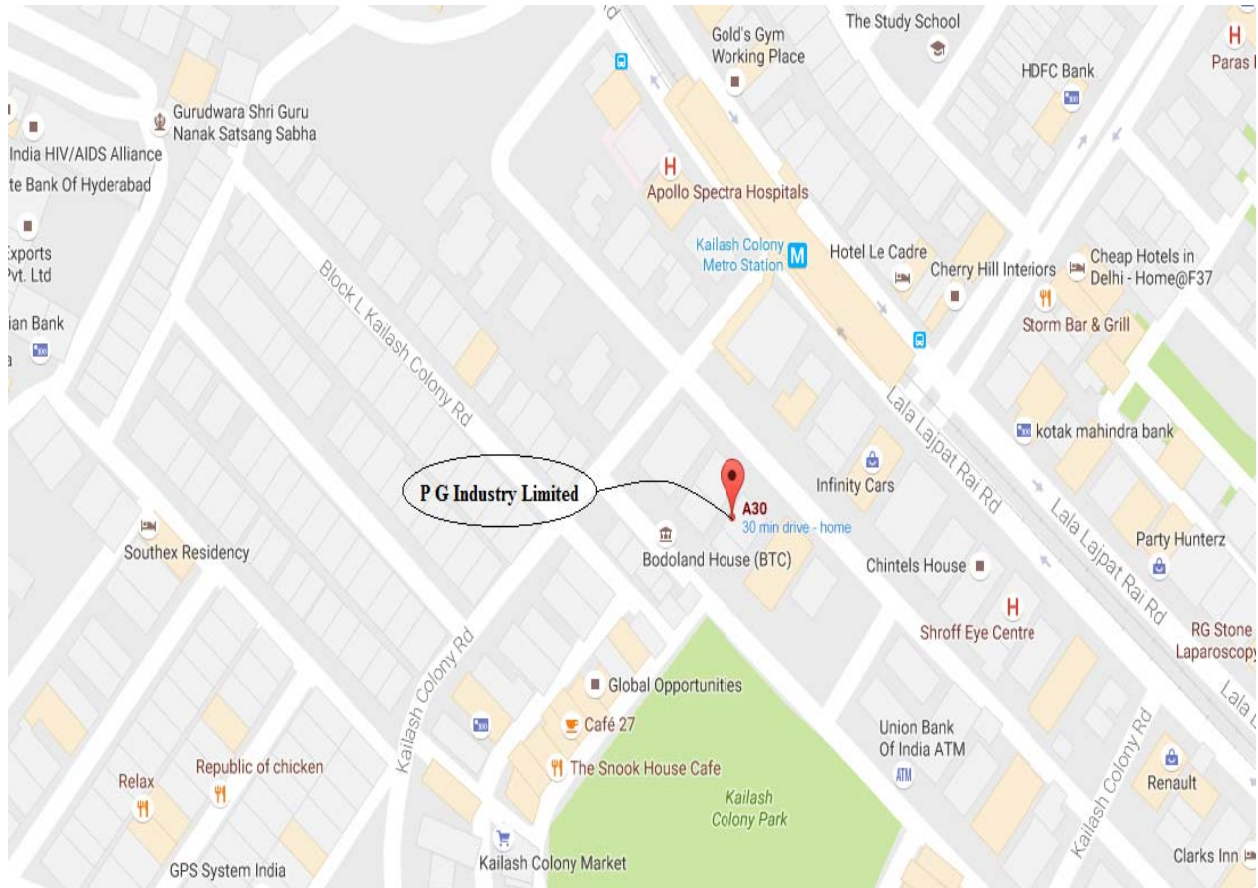
Affix
Revenue
Stamp

Signature of Proxy holder(s).....

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

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ROUTE MAP



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PGIL