



# PEARL POLYMERS LIMITED

48<sup>TH</sup>  
ANNUAL  
REPORT | 2018-19



**PEARL Polymers Limited**  
**CIN:L25209DL1971PLC005535**

**CORPORATE INFORMATION**

**BOARD OF DIRECTORS**

Mr. Chand Seth	Chairperson & Managing Director
Mr. Varun Seth	Whole Time Director
Mr. Ramesh Mehra	Whole Time Director
Ms. Meera Johri	Non-Executive Independent Director
Mr. Ravi Kumar Mehra	Non-Executive Independent Director
Mr. Ashish Harish Bhuva	Non-Executive Independent Director

**CHIEF FINANCIAL OFFICER**

Mr. Dinesh Kumar Tak

**COMPANY SECRETARY**

Ms. Priyanka  
Mr. Vineet Gupta w.e.f. 10.06.2019

**REGISTERED OFFICE**

Pearl Polymers Limited  
A-97/2, Okhla Industrial Area  
Phase-II, New Delhi- 110020  
Phone No.:011-47385300  
Fax No.: 011-47480746  
E-mail: [Pearlsecretarial@pearlpet.net](mailto:Pearlsecretarial@pearlpet.net)  
Website: [www.pearlpet.net](http://www.pearlpet.net)

**REGISTRAR & SHARE TRANSFER AGENT**

Mas Services Limited  
T-34, 2<sup>nd</sup> Floor, Okhla Industrial Area,  
Phase-II, New Delhi-110020  
Phone No.:011-26387281-83  
Fax No.: 011-26387384  
E-mail: [mas\\_serv@yahoo.com](mailto:mas_serv@yahoo.com)  
Website: [www.masserv.com](http://www.masserv.com)

**BANKERS**

Allahabad Bank  
IDBI Bank  
Bank of Baroda

**AUDITORS**

Sehgal Mehta & Co., Chartered Accountants  
10173/2, Block No. 15, Abdul Aziz Road 13  
W.E.A Karol Bagh, New Delhi-110005

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**WORKS:**

Location(s)	Address
Mahad	B-3/2, M.I.D.C. Industrial Area, Mahad, Distt.-Raigad, Maharashtra- 402309
Jigani	13-A, Part-I, Jigani Industrial Area, Distt. Anekal, Bangalore, Karnataka- 562106
Baddi	Khasra No 512-513, Village Sandholi, P.O. Baddi, Nalagarh, Himachal Pradesh- 173205
Pant Nagar	Plot No 45, Sector-3, Village Kalyanpur, Distt U.S.,Nagar, IIE, Rudrapur, Pant Nagar, Uttaranchal- 263153
Guwahati	Plot No 10, Jagati Logistic, Distt. Kamrup, Village Sindurghopa Guwahati, Assam – 781101



**NOTICE TO MEMBERS**

**NOTICE** is hereby given that the **Forty Eighth Annual General Meeting** (“AGM”) of the Members of Pearl Polymers Limited will be held on Friday, the 27<sup>th</sup> day of September 2019, at 11.00 A.M. at A-97/2, Okhla Industrial Area, Phase-II, New Delhi-110020, the registered office of the Company, to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended on March 31, 2019 together with reports of the Board of Directors’ and the Auditors’ thereon.
2. To appoint a Director in place of Mr. Ramesh Mehra (DIN: 00003334), who retires by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS**

3. **Re-appointment of Mr. Ravi Kumar Mehra as an Independent Director 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 provisions of section 149, 152 and any other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the ‘Act’), the Rules made thereunder read with Schedule IV to the Companies Act, 2013 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the ‘Listing Regulations’) and amendments thereto (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), based on the recommendation of the Nomination and Remuneration Committee and performance evaluation, Mr. Ravi Kumar Mehra (DIN 06882167), who was appointed as an Independent Director by the Board of Directors of the Company subject to the approval of members in the 43rd AGM of the Company for a term of 5 consecutive years and whose term of office expired on 25<sup>th</sup> May, 2019 is re appointed by the Board of Directors of the Company at its Meeting held on 15<sup>th</sup> May, 2019 w.e.f. 26<sup>th</sup> May, 2019 subject to the approval of the members in the AGM and being eligible and in respect of whom the Company has received notice under section 160 of the Companies Act, 2013, be and is hereby re appointed as an independent director on the Board of the Company to hold office for further 5 consecutive years starting from 26<sup>th</sup> May, 2019 and ending on 25<sup>th</sup> May, 2024.

**RESOLVED FURTHER THAT** pursuant to the provisions of section 149, 197 and other applicable provisions of the Act and the Rules made thereunder, Mr. Ravi Kumar Mehra be paid such fees, remuneration and/or profit-related commission as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time by or under the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors/ Company Secretary be and is hereby severally authorized to do all such acts, deeds, matters and things, as may be considered necessary, proper or desirable to give effect to this resolution.”

4. **Re-appointment of Ms. Meera Johri as an Independent Director 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 provisions of section 149, 152 and any other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the ‘Act’), the Rules made thereunder read with Schedule IV to the Companies Act, 2013 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the ‘Listing Regulations’) and amendments thereto (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), based on the recommendation of the Nomination and Remuneration Committee and performance evaluation, Ms. Meera Johri (DIN 06881924), who was appointed as an Independent Director by the Board of Directors of the Company subject to the approval of members in the 43rd AGM of the Company for a term of 5 consecutive years and whose term of office expired on 25<sup>th</sup> May, 2019 is re appointed by the Board of Directors of the Company at its Meeting held on 15<sup>th</sup> May, 2019 w.e.f. 26<sup>th</sup> May, 2019 subject to the approval of the members in the AGM and being eligible and in respect of whom the Company has received notice under section 160 of the Companies Act, 2013, be and is hereby re appointed as an independent director on the Board of the Company to hold office for further 5 consecutive years starting from 26<sup>th</sup> May, 2019 and ending on 25<sup>th</sup> May, 2024.

**RESOLVED FURTHER THAT** pursuant to the provisions of section 149, 197 and other applicable provisions of the Act and the Rules made thereunder, Ms. Meera Johri be paid such fees, remuneration and/or profit-related



commission as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time by or under the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors/ Company Secretary be and is hereby severally authorized to do all such acts, deeds, matters and things, as may be considered necessary, proper or desirable to give effect to this resolution.”

**5. Re-appointment of Mr. Ashish Harish Bhuva as an Independent Director 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 provisions of section 149, 152 and any other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the ‘Act’), the Rules made thereunder read with Schedule IV to the Companies Act, 2013 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the ‘Listing Regulations’) and amendments thereto (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Mr. Ashish Harish Bhuva (DIN 06780082), who was appointed as an Independent Director in the 43<sup>rd</sup> Annual General Meeting of the Company and whose term of office expires on 28<sup>th</sup> September, 2019 and being eligible and in respect of whom the Company has received notice under section 160 of the Companies Act, 2013, be and is hereby re appointed as an independent director on the Board of the Company to hold office for further 5 consecutive years starting from 28<sup>th</sup> September, 2019 till the completion of 5 consecutive years.

**RESOLVED FURTHER THAT** pursuant to the provisions of section 149, 197 and other applicable provisions of the Act and the Rules made thereunder, Mr. Ashish Harish Bhuva be paid such fees, remuneration and/or profit-related commission as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time by or under the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors/ Company Secretary be and is hereby severally authorized to do all such acts, deeds, matters and things, as may be considered necessary, proper or desirable to give effect to this resolution.”

**6. Alteration of Articles of Association of the Company thereby adopting new set of Articles of Association of the Company in accordance with the provisions of Companies Act, 2013.**

To consider and, if thought fit, to pass with or without modification the following resolution as a SpecialResolution:

“**RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with rules made there under and Schedule I to the Companies Act, 2013, the consent of the members of the Company be and is hereby accorded to adopt new set of Articles of Association pursuant to the Act, primarily based on the Form of Table F under the Act, in substitution of the existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to the above stated resolution”.

By Order of **the Board of Directors**  
For **Pearl Polymers Limited**

Sd/-

**Vineet Gupta**

Company Secretary

M. No: ACS-47642

Place: New Delhi

Date: August 14, 2019

Registered Office:

A-97/2, Okhla Industrial Area,

Phase-II, New Delhi-110020

**CIN: L25209DL1971PLC005535**



NOTES:

- i. **Proxy: A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING (AGM) IS AUTHORIZED TO APPOINT ANOTHER PERSON AS PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Proxies, in order to be valid and effective, must be delivered at the registered office of the Company not later than 48 hours before the commencement of the meeting.

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10%, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Shareholder. Proxies submitted on behalf of Companies, must be supported by an appropriate resolution/authority as applicable. Proxies are requested to bring their Identity proof at the meeting for the purpose of identification.

- ii. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 forms part of this notice.
- iii. In terms of Section 152 of the Companies Act, 2013, Mr. Ramesh Mehra (DIN: 00003334) Director, is liable to retire by rotation at the ensuing AGM and being eligible, offer himself for re-appointment. Brief profile, information and relevant details, pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015") and Secretarial Standard on General meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM is annexed hereto.
- iv. Members/proxies are requested to bring their duly filled attendance slip annexed hereto, to attend the AGM mentioning therein details of their DP and Client ID/ Folio No.
- v. In case of joint holders attending the AGM, only such joint holder whose name stands first or higher on the Register of Members shall be entitled to vote.
- vi. As an austerity measure, copies of the Annual Report will not be distributed at the AGM. Members are requested to bring their copy of Annual Report to the meeting.

- vii. Relevant documents referred in accompanying Notice and Explanatory Statement are open and available for inspection by the Members at the registered office of the Company on all working days except Saturdays from 10.00 a.m. to 12.30 p.m. upto the date of AGM.
- viii. All correspondence relating to change of address, change in the e-mail ID already registered with the Company, transfer/ transmission of shares, issue of duplicate share certificates, consolidation of folios, bank mandates and all other matters relating to the shareholding in the Company may be made to MAS Services Ltd., the registrar and share transfer agent ("RTA"). The Members holding shares in dematerialised form may send such communication to their respective Depository Participants ("DP's").
- ix. To receive shareholders' communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their email address with their respective depository participant, where shares are held in electronic form. If, however, shares are held in physical form, members are advised to register their e-mail address with MAS Services Limited, the Registrar and Share Transfer Agent of the Company.
- x. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday September 21, 2019 to Friday, September 27, 2019 (both days inclusive).
- xi. The Members whose names appear on the Company's Register of Members as on Friday, September 20, 2019 ("cut-off date") will be eligible to attend and vote at the AGM.
- xii. Members can avail the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail this facility may send their nomination in the prescribed Form no. SH-13 duly filled in to the Company / RTA / DP's.
- xiii. **TRANSFER OF UNCLAIMED FIXED DEPOSITS TO INVESTORS EDUCATION AND PROTECTION FUND (IEPF)**

The Company has transferred time to time the unclaimed amount of deposits which remained unpaid or unclaimed for seven consecutive years to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Section 125 of Companies Act, 2013, the Company has uploaded the details of



unclaimed fixed deposit lying with the Company as on September 28, 2018 (date of last AGM) on the website of the Company as also on the website of the IEPF-Ministry of Corporate Affairs.

- xiv.** Pursuant to Sections 101 and 136 of the Companies Act, 2013 read with relevant Rules framed thereunder, the Annual Report for financial year 2018-19 and the Notice of the AGM, inter-alia indicating the process and manner of remote e-voting alongwith the attendance slip, proxy form and Route Map are being sent by e-mail to those Members who have registered their e-mail ID either with the Company/RTA or with the DP's unless the Member has requested for a hard copy of the same. For Members who have not registered their e-mail ID, physical copies of the Annual Report for financial year 2018-19 and the Notice of the AGM, inter-alia, indicating the process and manner of remote e-voting along with the attendance slip, proxy form and Route Map, is being sent in the permitted mode.
- xv.** SEBI has mandated the submission of Permanent Account Number (PAN) by every person dealing in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or the RTA.
- xvi.** SEBI vide its notification dated 8 June 2018 as amended on 30 November 2018, has stipulated that w.e.f. 1 April 2019, the transfer of securities (except transmission or transposition of shares) shall not be processed, unless the securities are held in the dematerialized form. In view of this, members are requested to dematerialize their shares.
- xvii.** Shareholders are requested to send their queries, if any, with regard to Financial Result/ Accounts/ Annual Report, to the Company Secretary, at least seven days before the date of the AGM, so that the requisite information/ explanations can be provided in time.
- xviii.** Notice of the AGM and the Annual Report is made available on the Company's website [www.pearlpet.net](http://www.pearlpet.net).
- xix. VOTING THROUGH ELECTRONIC MEANS**

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Secretarial Standard and Regulation 44

of the SEBI (LODR) Regulations, 2015, the Company is pleased to provide its Members facility to exercise their right to vote on resolutions proposed to be considered at the 48<sup>th</sup> AGM by electronic means which includes "remote e-voting" i.e., from a place other than venue of the AGM, provided by National Securities Depository Limited ("NSDL"). Members of the Company holding shares in physical form or in dematerialised form may exercise their right to vote by electronic means in respect of the resolutions contained in the Notice of the AGM.

- The Members desiring to vote through electronic mode may refer to the detailed procedure for remote e-voting given in the attendance slip, annexed to this Annual Report.
- The remote e-voting period will commence on Tuesday, September 24, 2019 (09.00 A.M.) and ends on Thursday, September 26, 2019 (05:00 P.M.). During this period, the Members of the Company holding shares in physical form or in dematerialised form, as on the cut-off date, being Friday, September 20, 2019, may cast their vote by electronic means in the manner and process set out hereinabove. The e-voting module shall be disabled for voting thereafter.
- Facility for voting through ballot/polling paper shall also be made available at the venue of AGM. The Members who are entitled to vote but have not exercised their right to vote through remote e-voting may vote at the AGM through Ballot Papers.
- The Members who have cast their vote by remote e-voting may also attend the AGM but shall not be entitled to cast their vote again.
- Ms. Rashmi Sahni, Practicing Company Secretary (Certificate Practice No: 10493) has been appointed as the Scrutinizer for conducting remote e- voting facility and the voting process at the AGM in a fair and transparent manner.
- The Scrutinizer shall immediately after the conclusion of voting at the AGM, count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizers Report of the total votes cast in favour of or against, if any, not later than 48 hours after the conclusion of the AGM to the Chairperson of the Company. The Chairperson, or any other person authorised by the Chairperson,



shall countersign the same and declare the result of the voting forthwith with details of the number of votes cast for and against the resolution, invalid votes and whether the resolution has been carried or not.

- The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company [www.pearlpet.net](http://www.pearlpet.net) and on the website of NSDL after communication of the same to the BSE Limited and the National Stock Exchange of India Limited.

### **EXPLANATORY STATEMENTS AS REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013**

#### **ITEM NO. 2**

As regards re-appointment of Mr. Ramesh Mehra referred to in item no. 2 of the Notice, following disclosures are made for the information of the shareholders:

Description	Mr. Ramesh Mehra
<b>Brief profile including area and nature of expertise</b>	Mr. Ramesh Mehra holds the degree in B.Sc. Engineering (Electrical) from Regional Engineering College, Rourkela and L.L.B. from Govt. College Kota. He has over 40 years of rich experience in commercial production, sales administration, account and personnel in industrial and manufacturing concerns. He also underwent onsite training in Japan during initial assignments. His knowledge and expertise in various fields will benefit the company in an indispensable manner.
<b>Date of Birth</b>	February 18, 1950
<b>Relationship with Directors interse</b>	Mr. Ramesh Mehra is not related to any Director of the Company
<b>Names of listed entities in which the person also holds the directorship and the membership of Committees of the board</b>	Mr. Ramesh Mehra holds Directorship and memberships of committees of the Board in M/s Pearl Apartments Limited.

#### **ITEM NO.3 & 4**

#### **Re-appointment of Mr. Ravi Kumar Mehra and Ms. Meera Johri as Independent Directors of the Company**

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges, Mr. Ravi Kumar Mehra and Ms. Meera Johri were appointed as Independent Directors of the Company by the Board of Directors subject to the approval of the members in the 43rd AGM of the Company to hold office for 5 years upto 25<sup>th</sup> May, 2019. The Nomination and Remuneration Committee on the basis of performance evaluation, has recommended their re-appointment as Independent Directors of the Company. On the basis of recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its Meeting held on 15<sup>th</sup> May, 2019 re-appointed Mr. Ravi Kumar Mehra and Ms. Meera Johri as Independent Directors w.e.f 26<sup>th</sup> May, 2019 subject to the approval of the members of the company in the Annual General Meeting. The Company has received a notice in writing under Section 160 of the Act from Mr. Ravi Kumar Mehra and Ms. Meera Johri proposing their candidature for the office of Independent Directors of the Company.

The appointees are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors alongwith a declaration to the effect that they meet the criteria of Independence as provided under section 149(6) of the Act and as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In view of above, the Board of Directors of your company has recommended these resolutions for your approval.

#### **ITEM NO.5**

#### **Re-appointment of Mr. Ashish Harish Bhuvra as an Independent Director of the Company**

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges, Mr. Ashish Harish Bhuvra was appointed as Independent Director of the Company at the 43<sup>rd</sup> Annual General Meeting of the Company to hold office for 5 years upto 28<sup>th</sup> September, 2019. His office comes to an end on 28<sup>th</sup> September, 2019. The Nomination and Remuneration Committee on the basis of performance evaluation, has recommended his re-appointment as Independent Director of the Company. On the basis of



recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company has decided to re appoint Mr. Ashish Harish Bhuva as Independent Director of the Company for further period of 5 consecutive years w.e.f. 29<sup>th</sup> September, 2019, subject to the approval of the members of the company in the Annual General Meeting. The Company has received a notice in writing under Section 160 of the Act from Mr. Ashish Harish Bhuva proposing his candidature for the office of Independent Director of the Company.

The appointee is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director alongwith a declaration to the effect that he meets the criteria of Independence as provided under section 149(6) of the Act and as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In view of above, the Board of Directors of your company has recommended this resolution for your approval.

**Brief Profile of Mr. Ravi Kumar Mehra, Ms. Meera Johri and Mr. Ashish Harish Bhuva, is as under:**

**Brief Resume of Mr. Ravi Kumar Mehra:** Mr. Ravi Mehra holds the Bachelor degree in Chemistry and a Bachelor's degree in Chemical Engineering, USA. He also holds a Diploma in 'Marketing & Sales' from YMCA, Delhi. He has over 35 years of Industry experience which includes holding the position of Managing Director in 'Electrical & Industrial Ceramics Pvt. Ltd.' for a period of three years and Ravision Drugs Pvt. Ltd. for a period of 14 years. He also holds experience of working with Shyam Ahuja Pvt. Ltd at the senior level.

He also compiled & published a book 'Chemical & Medical Formulary of India' which listed all names & therapeutic effects of most commonly used drugs in India for usage by doctors & hospitals.

At present he is not a director in any other Company and he also doesn't hold membership/chairmanship of any Committee in other Company. He holds nil equity shares of the Company.

**Brief Resume of Ms. Meera Johri:** Ms. Meera Johri is a renowned personality in the field of book publishing. She is heading a leading publication group by the name of Rajpal & Sons' and is actively widening the focus of publishing by adding on books in English and a range of dictionaries and has published authors like APJ AbdulKalam, J. Krishnamurti, Jaswant Singh, Dalai Lama etc.

She has also written a number of books viz. Women in

Power, Paramveer Chakra: Profiles in Courage; Inspiring Thoughts on Management; Inspiring Thoughts on Successful Leadership etc.

Smt. Meera Johri is a Graduate in Economics (Hons.) from the Indraprastha College, University of Delhi, and has done her Masters in Business Administration from the Faculty of Management Studies, University of Delhi. She was a marketing consultant for 12 years and has had experience of the electronics, plastics and travel industries..

At present she neither holds directorship in any other Company nor a member/chairman of any Committee in other Company. She holds nil equity shares of the Company.

**Brief Resume of Mr. Ashish Harish Bhuva:**

Mr. Ashish Harish Bhuva is a Bachelor of Commerce from University of Mumbai and Diploma holder in Business Management from Welingkar Institute of Management Development & Research, Mumbai. He has also completed Management Development Programme on Marketing for Owner Managed Companies from Narsee Monjee Institute of Management & Higher Studies, Mumbai. Mr. Ashish Harish Bhuva is a results-oriented person with a positive outlook & has comprehensive understanding of management principles.

Mr. Ashish Harish Bhuva has approx. 22 years of experience in the Industry. He is a Director in Indo Nippon Chemical Company Ltd. and is actively involved in the planning & organising the organisation's activities, developing business plans & preparing comprehensive business reports, Reviewing, refining & developing the strategy & direction of the Company etc.

Keeping in view the vast expertise and knowledge of the appointees, it will be in the interest of the Company that Mr. Ravi Kumar Mehra, Ms. Meera Johri and Mr. Ashish Harish Bhuva are re appointed as Independent Directors.

None of the appointee is related to any Key Managerial Personnel (KMP) of the Company and holds any Equity Shares in the Company.

The details regarding sitting fees paid to the appointees in the past are given in the corporate governance report. NO remuneration was drawn by them during their previous term as Independent Directors. The details regarding the basis of performance evaluation are given in the Board Report.

No director, Key Managerial Personnel or their relatives, except Mr. Ravi Kumar Mehra, Ms. Meera Johri and Mr. Ashish Harish Bhuva to whom the resolutions relate are





## **PEARL Polymers Limited**

concerned or interested, financially or otherwise, in the resolution set out at Item no. 3, 4 & 5 of this Notice except to the extent of their shareholding in the Company.

### **ITEM NO.6**

#### **Alteration of Articles of Association of the Company thereby adopting new set of Articles of Association of the Company in accordance with the provisions of Companies Act, 2013.**

The existing Articles of Association (AOA) of the Company is based on the Erstwhile Companies Act, 1956 and several articles / regulations in the existing AOA contain references to specific sections of the Companies Act, 1956 which are no longer in force.

Pursuant to the notification of the Companies Act, 2013, several articles/regulations of the existing AOA of the Company require alteration or deletion. It is therefore, proposed to replace the existing AOA with the new set of AOA in conformity with Table F of Schedule I of the Companies Act, 2013. The revised set of AOA shall be available for the inspection at the Registered Office of the Company during business hours on all working days.

Pursuant to the provisions of Section 14 of Companies Act, 2013, consent of the members by way of Special Resolution is required in this regard to give effect to the proposed alteration. Hence, the Board recommends the Special Resolution set forth in aforesaid item of the notice for approval of the members.

None of the Directors of the Company or their relatives are concerned or interested, financially or otherwise, in this resolution except to the extent of their shareholding in the Company.

By Order of **the Board of Directors**  
For **Pearl Polymers Limited**

Sd/-

**Vineet Gupta**

Company Secretary

M. No: ACS-47642

Place: New Delhi

Date: August 14, 2019

**Registered Office:**

**A-97/2, Okhla Industrial Area,**

**Phase-II, New Delhi-110020**

**CIN: L25209DL1971PLC005535**

**BOARD'S REPORT****TO THE MEMBERS,**

Your Directors are pleased to present the 48<sup>th</sup> Annual Report of Pearl Polymers Limited ("the Company") for the financial year ended March 31, 2019.

**FINANCIAL SUMMARY**

The Company's financial performance for the financial year ended March 31, 2019 in comparison to previous financial year is summarized below:

**(Rs. in Lakhs)**

Particulars	2018-19	2017-18
Total Revenue	18,092.22	18,279.66
Total expenses	18,723.56	18,716.86
Profit/(loss) before exceptional items and tax	(631.34)	(437.19)
Less: Tax Expenses	(144.90)	(174.04)
Profit/Loss after tax	(486.44)	(263.15)

**RESERVES**

The Reserves and Surplus (excluding Revaluation Reserve) of the Company as on March 31, 2019 stood at Rs. 2,790.84 Lakhs. No amount is proposed to be transferred to reserves during the year.

**DIVIDEND**

In view of the losses, the Board of Directors has not recommended any dividend on equity shares for the year under review.

**SHARE CAPITAL**

The Company's Capital Structure remains unchanged during the financial year 2018-19.

**STATE OF THE COMPANY'S AFFAIRS/CHANGES IN THE NATURE OF BUSINESS, IF ANY**

During the year under consideration on Standalone basis your Company has achieved total Revenue from Operations of Rs 18,092.22 Lakhs as against Rs. 18,279.67 Lakhs in the relevant previous financial year. The Company has suffered operating loss of Rs. 631.34 Lakhs as compared to Rs. 437.19 Lakhs in the previous year and recorded net loss of Rs. 486.44 Lakhs as compared to loss of Rs. 263.15 Lakhs in the previous year due to several reasons such as volatility in crude prices, raw material prices, opposition of plastic products by the end customers and stiff competition from un-organized sector and local players adversely affected the turnover.

During the year, there is no change in the nature of business of the Company.

**MATERIAL CHANGES EFFECTING FINANCIAL POSITION OF THE COMPANY**

There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of financial year and the date of this report.

**MATERIAL ORDERS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY**

There is no order passed by any regulatory authority or court or tribunal against the Company, impacting the going concern status and future operations of the Company.

**DEPOSITS**

Your Company has not accepted any deposits during the year under review, falling within the ambit of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

**INVESTOR EDUCATION AND PROTECTION FUND**

Pursuant to Section 125 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the amount of fixed deposit remaining unpaid /unclaimed for a period of seven years has been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government of India. Further, the Company has uploaded the necessary information in respect of the unclaimed amount on the website of IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in) and on the Company's website.

**CORPORATE SOCIAL RESPONSIBILITY**

The provisions of Corporate Social Responsibility as prescribed under section 135 of the Companies Act, 2013 are not applicable to the Company.

**HOLDING, SUBSIDIARY, ASSOCIATE OR JOINT VENTURE COMPANIES**

The Company has no Holding, Subsidiary, Associate or Joint Venture Company.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL****a) Director Liable to Retire by Rotation**

Mr. Ramesh Mehra (DIN:00003334), retires by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

**b) Re-appointment of Independent Directors**

The term of Mr. Ravi Kumar Mehra and Ms. Meera Johri as Independent Directors was expired on



25th May, 2019. Accordingly, on the basis of recommendation of Nomination and Remuneration committee and the performance evaluation, the Board has re-appointed Mr. Ravi Kumar Mehra and Ms. Meera Johri as Independent Directors of the Company for further term of 5 consecutive year w.e.f 26th May, 2019 subject to the approval of the members of the Company in the Annual General Meeting.

Further, Mr. Ashish Harish Bhuva whose term of office expires on 28th September, 2019 is eligible to be re-appointed for further term of 5 consecutive year w.e.f 29th September, 2019. Accordingly, on the basis of recommendation of Nomination and Remuneration committee and the performance evaluation, the Board has recommended the re-appointment of Mr. Ashish Harish Bhuva.

**c) Re-Appointment of Mr. Varun Seth**

During the year, Mr. Varun Seth was re-appointed as whole time director for a period of 3 years w.e.f July 01, 2018.

**d) Number of meetings of the Board of Directors**

The Board of Directors of the Company, met Four (4) times during the financial year 2018-19.

29 <sup>th</sup> May, 2018	<b>Board Meetings</b>	14 <sup>th</sup> February, 2019
14 <sup>th</sup> August, 2018		
14 <sup>th</sup> November, 2018		

Further, a separate Meeting of the Independent Directors of the Company was also held on August 14, 2018, as prescribed under Schedule IV to the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

There was no change in the composition of the Board of Directors of the Company during the financial year 2018-19.

**e) Changes in Key Managerial Personnel**

During the year, there was no change in the Key Managerial Personnel of the Company.

**f) Declaration by Independent Directors**

The Company has received declarations from the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013.

**g) Board Evaluation**

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual Directors pursuant to Companies Act, 2013 and Regulation 17 (10)

of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The evaluation framework for assessing the performance of Directors was on the basis of criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. The Nomination and Remuneration Committee had evaluated the performance of individual Directors on the basis of criteria such as the contribution of the individual Director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. A member of the Board does not participate in the discussion of his/her evaluation. Performance evaluation of Independent Directors was carried out by the entire board, excluding the Independent Director being evaluated.

A meeting of the Independent Directors was also held, to review the performance of the Non-Independent Directors, the Board as a whole and the Chairperson on the parameters of effectiveness and to assess the quality, quantity and timeliness of the flow of information between the Management and the Board.

**h) Nomination and Remuneration Policy**

Your Company has adopted a Nomination and Remuneration Policy as required by Section 178 of the Companies Act, 2013, which provides for the appointment/selection of Directors, Key Managerial Personnel & other employees and their remuneration including criteria for determining qualifications, positive attributes, independence of a director etc. Your Company affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees. The details of such policy can be viewed on the Company's website [www.pearlpet.net](http://www.pearlpet.net).

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The Company has not given any loan or guarantee nor has made any investment during the year under review attracting the provisions of Section 186 of the Companies Act, 2013.

**RISK MANAGEMENT**

The Company has put in place a policy and mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed



through mitigating actions on continuing basis. There are no risks which in the opinion of the Board threaten the existence of the Company.

#### **INSIDER TRADING CODE**

In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ('the PIT Regulations') on prevention of insider trading, your Company has revised its Code of Conduct for regulating, monitoring and reporting of trading by Designated Persons and immediate relatives of Designated Persons in line with the recent amendments brought by SEBI in the PIT Regulations. Your Company has also adopted policy for determination of legitimate purposes in line with the PIT (Amendment) Regulations, 2018 as a part of Code of practices and procedures of fair disclosures of unpublished price sensitive information.

#### **VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, during the year, the Board of Directors of your Company has adopted revised policy on whistle blower and vigil mechanism for providing a framework to promote responsible and secure whistle blowing. It protects Directors and employees wishing to raise a concern about serious irregularities within the Company. The Policy is available on the Company's website at [www.pearlpet.net](http://www.pearlpet.net).

#### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL ACT), 2013**

The Company has put in place a policy on prevention of Sexual Harassment in line with the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (Permanent, Contractual, Temporary, Trainees) are covered under this policy. The Company has not received any complaint of sexual harassment during the financial year 2018-19.

#### **PARTICULARS OF EMPLOYEES AND REMUNERATION**

The Remuneration details of the Directors, Chief Financial Officer and Company Secretary, along with details of ratio of remuneration of each Director to the median remuneration of employees of the Company for the FY is annexed as **Annexure 'I'** after the end of Board Report.

The particulars required pursuant to Section 197 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, shall be made available to any shareholder on a specific request made

by him/her in writing before the date of ensuing Annual General Meeting and such particulars shall be made available by the Company within three days from the date of receipt of such request from the shareholders.

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

Particulars in respect of Conservation of Energy, Technology absorption and Foreign Exchange earnings and outgo as required under section 134 (3)(m) of the Companies Act, 2013, read with the rules there under, are provided in **Annexure-'II'** to this report.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- I. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- II. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit and loss of the Company for that period;
- III. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- IV. The Directors have prepared the annual accounts on a going concern basis;
- V. The Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively; and
- VI. The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

#### **AUDITORS**

##### **a) Statutory Auditors**

Statutory Auditors and Auditor's Report

The shareholders of the Company at 46th AGM held on September 29, 2017 had appointed M/s. Sehgal Mehta & Co. Chartered Accountants, (ICAI Registration No- 003330N), as the Statutory Auditors



of the Company for a term of 5 years, subject to ratification by members at every AGM, if required under the provisions of the Companies Act, 2013. However, the Companies Amendment Act, 2017 has removed the requirement of ratification of statutory auditors and accordingly they hold their office till the conclusion of Annual General Meeting to be held in 2022.

**b) Secretarial Auditor**

Your Company has appointed Ms. Rashmi Sahni, (Certificate of Practice No. 10493) Practicing Company Secretary, as the Secretarial Auditor to conduct an audit of the Secretarial records for the financial year 2018-19.

**Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made:**

**I. Statutory Auditor's Report**

There are no qualifications, reservations or adverse remarks or disclaimers made by Statutory Auditors, in their report. There are no frauds reported in the reports of the Auditors as mentioned under sub-section (12) of Section 143 of the Act.

**II. Secretarial Auditor's Report**

The Secretarial Audit Report does not contain any qualifications, reservations or adverse remarks or disclaimer. A Report of Secretarial Audit is provided in **Annexure-'III'** to this report.

**c) Internal Auditor**

Nikhil Goel & Associates (Firm Registration No. 020934C) Chartered Accountants, has been appointed as an Internal Auditor of the Company to conduct an internal audit of the functions and activities of the Company for financial year 2018-19, in terms of Section 138 of the Companies Act, 2013.

**d) Cost Auditor**

The provisions of Cost Audit as prescribed under section 148 of the Companies Act, 2013 are not applicable to the Company.

**e) Compliance with the Institute of Company Secretaries of India ("ICSI") Secretarial Standards**

The relevant Secretarial Standards issued by the ICSI related to the Board Meetings and General Meetings have been complied with by the Company.

**f) Statutory Compliances**

The Board periodically reviews the mechanism put in place by the management to ensure the

compliances with Laws and Regulations as may be applicable to the Company as well as the steps taken by the Company to rectify the instances of non-compliances, if any.

**RELATED PARTY TRANSACTIONS**

During the year, there were no transactions with related parties which were not at arm's length and not in the ordinary course of business as per the provisions of section 188 of the Companies Act, 2013 or materially significant or which were in conflict with the interests of the Company and that require an approval of the Company's shareholders in terms of the SEBI Listing Regulations.

Accordingly, the disclosure of the transactions in Form AOC-2 is not applicable to your Company. Further, details on the policy of the company with respect to the transactions with related parties are given in the Corporate Governance Report. The detailed policy on Related Party Transactions is available on the website of the Company. Further, the details regarding Related Party Transactions are contained in Note No. 47 & 48 of the Notes to Financial Statements.

**ANNUAL RETURN**

Pursuant to sec 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return in form MGT-9 is attached as **Annexure-'IV'** to this report and also placed on the website of the Company at [www.pearlpet.net](http://www.pearlpet.net).

**CORPORATE GOVERNANCE REPORT**

A Separate report on Corporate Governance alongwith certificate from Statutory Auditor confirming compliance with the requirement of Corporate Governance as stipulated under SEBI (LODR) Regulations, 2015, forms an integral part of the Annual Report.

**CAUTIONARY STATEMENT**

Statements in this report, particularly those which relate to Management Discussion & Analysis, describing the Company's objectives, projections, estimates and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied.

**ACKNOWLEDGEMENT**

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the



year under review. The Boards of Directors also wish to place on record its deep sense of appreciation for the committed services by the Company's executives, staff and workers.

Last but not least, your Directors wish to place on record their warm appreciation to you for your continuous support and encouragement.

**Place:** New Delhi

**Date:** August 14, 2019

**For and on behalf of the Board of Directors**

**Sd/-**

**Chand Seth**

Chairman & Managing Director

DIN: 00002944



**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**INDUSTRY STRUCTURE AND DEVELOPMENT**

The plastics industry in India has developed and diversified significantly since its inception in 1957. The **Indian plastics industry** market has now grown to become one of the leading sectors in the country's economy, employing more than 4 million people. India is also one of the world's top exporters of plastics products. The industry manufactures and exports a variety of raw materials, laminates, electronic accessories, medical ware, and consumer goods. These plastic products are exported to more than 150 countries.

- During April-October 2018, plastics export from India stood at US\$ 3.47 billion out of which exports of raw plastic material stood at US\$ 2.62 billion.
- During April-October 2018, top five importers of Indian plastic products were China (US\$ 553.42 million), US (US\$ 234.76 million), Italy (US\$ 188.31 million), Bangladesh PR (US\$ 168.33 million) and UAE (US\$ 159.02 million).
- The Indian plastics industry produces and exports a wide range of raw materials, plastic-moulded extruded goods, polyester films, moulded / soft luggage items, writing instruments, plastic woven sacks and bags, polyvinyl chloride (PVC), leather cloth and sheeting, packaging, consumer goods, sanitary fittings, electrical accessories, laboratory / medical surgical ware, tarpaulins, laminates, fishnets, travel ware, and others.
- The Indian plastics industry offers excellent potential in terms of capacity, infrastructure and skilled manpower. It is supported by a large number of polymer producers, and plastic process machinery and mould manufacturers in the country.
- Among the industry's major strengths is the availability of raw materials in the country. Thus, plastic processors do not have to depend on imports. These raw materials, including polypropylene, high-density polyethylene, low-density polyethylene and PVC, are manufactured domestically.

**RECENT DEVELOPMENT**

At present the plastic industry is around Rs 2.25 lakh crore, according to the All-India Plastics Manufacturers Association which expects with the right kind of government support it can double to Rs 5 lakh crore over the next five years. The application of plastics can be found in almost every sector such as medical, aerospace,

automotive, packaging, household appliances, construction and many more.

The industry is driven by key factors like rising population, increase in income levels and changing lifestyles. Demand from rural sector for packaged products is being fuelled by increasing media penetration through the means of internet and television.

India is a growing market for plastics and consumes about 12.8 million tonnes of plastics annually against the global consumption of 285 million tonnes per year.

However, the India's economic growth has slowed to 6.8% in 2018-19, which has resulted in lower volume by the Company.

**OPPORTUNITIES AND THREATS**

The use of PET packaging products is increasing day by day. Changing life style, urbanization are pushing FMCG sector to use PET Packaging products in new innovative and trending ways to increase the sales by attracting the end users of the final products. Keeping in view the increased demand in PET packaging products, the Company continuously work on developing the products in trending ways to attract the more and more customers.

However, despite having a good growth potential, the plastic packaging industry faces many threats in terms of health hazards, government bans, fluctuating raw material prices and competition. Some of the players present in the industry follow unethical practices to increase the revenue by selling poor quality products which may look similar but are hazardous to the environment.

To overcome these challenges, significant efforts will have to be made by all the stakeholders to realize the real potential of this industry.

In a recent report of Council of Scientific and Industrial Research (CSIR), it has declared PET material to be safe for storage of water and packaging of food products.

**HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

Industrial Relations with staff and workmen at Head Office and across all the plants, viz. Mahad, Baddi, Jigani, Pant Nagar and Guwahati continued to be cordial. Your Company has successfully aligned human capital with business and organizational objectives. The emphasis has been on team work, skill development and development of leadership and functional capabilities of the employees. There are 455 employees including the Executive Directors recorded on the roll of Company

**OPERATIONS AND FINANCIAL REVIEW**

The operations and financial review is covered in the Board's Report and is to be read as a part of this report itself.

**SEGMENT-WISE PERFORMANCE**

Your Company is operating only in one segment.

**RISK MANAGEMENT**

The Company is also exposed to several potential risks both from internal and external sources. By addressing the risk in its nascent stages allows for long-term corporate success. Risks such as industry segment risks, technological changes, political risks, product distribution and supply can be anticipated and curbed.

Your Company believes that the products should not be hazardous to the environment. Our products are made of virgin plastics which are universally approved by USFDA, EU Directive 2002/72/ EC, BIS IS: 12252 -1987 and other regulating bodies for Food, Beverage and Water storage.

**DISCLOSURE OF ACCOUNTING TREATMENT**

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act and other accounting principles generally accepted in India.

**Place:** New Delhi

**Date:** August 14, 2019

**BUSINESS OUTLOOK**

Plastics are emerging as wonder material for modern society with its versatile applicability, adherence to regulatory standards and better aesthetic value addition to end products. Plastics are changing the way in which we are living our everyday lives. Utility of plastics as alternative materials in replacement of traditional materials are increasingly being explored in various areas due to different benefits offered by its use like light weights, high strength, reusability etc.

With the increase demand in light weight odorless PET Packaging products, a tremendous growth is expected in the plastic processing industry in the coming years.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The Company has in place adequate internal financial controls with reference to financial statements. During the year under review, no material weakness in the policy or procedures was observed. Your Company has put in place an independent internal audit system conducted by a professional firm that conducts regular audits to ensure adequacy of internal financial control system, adherence to Company policies and compliance.

**For and on behalf of the Board of Directors**

**Sd/-**

**Chand Seth**

Chairman & Managing Director

DIN: 00002944



**STATEMENT OF DISCLOSURE OF REMUNERATION UNDER SECTION 197 OF THE COMPANIES ACT, 2013 RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014****(1) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-2019:**

Median remuneration of all the employees of the Company for the Financial year 2018-19	Rs. 2,26,228/-
The number of permanent employees on the rolls of Company.	455

Name of the Director	Designation	Ratio of remuneration of Directors to Median remuneration of all Employees
Mr. Chand Seth	Chairman & Managing Director	21.02
Mr. Varun Seth	Whole Time Director	15.46
Mr. Ramesh Mehra	Whole Time Director	5.36
Mr. Ravi Kumar Mehra	Non Executive and Independent Director	N.A.
Ms. Meera Johri	Non Executive and Independent Director	N.A.
Mr. Ashish Bhuva	Non Executive and Independent Director	N.A.

**Percentage increase in remuneration of each Director, CFO, CEO, CS or Manager, if any, in the Financial Year 2018-2019**

Name of the Directors	Designation	2018-2019	Percentage increase/decrease
		Salary P.A.	
Mr. Chand Seth	Chairman & Managing Director	47,55,000	-19.94
Mr. Varun Seth	Whole Time Director	34,97,239	-10.03
Mr. Ramesh Mehra	Whole Time Director	12,11,880	-12.18
Mr. Ravi Kumar Mehra*	Independent & Non Executive Director	-	NA
Mr. Ashish Harish Bhuva*	Independent & Non Executive Director	-	NA
Ms. Meera Johri*	Independent & Non Executive Director	-	NA
Mr. Dinesh Kumar Tak	Chief Financial Officer	12,60,000	0
Ms. Priyanka	Company Secretary	5,20,000	15.29%

\*During the year, no Independent and Non Executive Director is paid any remuneration except sitting fee as mentioned in the Corporate Governance Section of the Annual Report.

**Percentage increase in the Median Remuneration of Employees in the Financial Year 2018- 2019:**

2018-2019	2017-2018	Increase %
226228	204480	10.63

During the year, there was no percentage increase in the salary of any Managerial Personnel except 15.29% in the salary of Ms. Priyanka, the Company Secretary of the Company. Further, there was no percentage increase in the aggregate salary of employees during the year.

**Affirmation that the remuneration is as per the remuneration policy of the Company.**

We affirm that remuneration paid by the Company is as per the Remuneration policy of the Company.

**2. The names of the top ten employees in terms of remuneration drawn:**

Name	Age	Designation	Remuneration (Per Annum)	Qualification	Experience in years	Date of Commencement of employment	Previous Employment held
Chand Seth	75	Chairman and Managing Director	47,55,000	B. Tech (Mech.) and MS	47.6	23 <sup>rd</sup> February, 1971	Not applicable
Varun Seth	46	Whole-time Director	34,97,239	B. Tech	25.2	01 <sup>st</sup> July, 2006	Not applicable
Udit Seth	39	Executive Director	22,03,200	B.Sc.	12.5	01 <sup>st</sup> April, 2006	Not applicable
Amit Seth	48	Executive Director	22,03,200	B.B.A.	25.2	01 <sup>st</sup> July, 1993	Not applicable
Pratap Kumar Palo	37	Chief Manager (B&D)	17,82,372	MBA & PGDM (MKT & FIN)	10	02 <sup>nd</sup> May, 2015	Clear Mipack Packaging Solution Ltd.
Anurag Gupta	51	Deputy General Manager (GP Technical)	14,84,384	B.Sc., B. Tech	28	14 <sup>th</sup> June, 1991	Not Applicable
Sanjay Sharma	34	Chief Manager (Mould Sourcing & Innovation)	14,77,920	POST DIP IN PMD (PD-PMD)	11	21 <sup>st</sup> November, 2016	Mahindra & Mahindra Ltd.
A. Mohan Rao	47	Deputy General Manager (Works)	14,75,624	B.E. (Mech.)	24	24 <sup>th</sup> July, 2015	Ovobel Foods Ltd.
Dilip Talwalkar	69	General Manager (Marketing & Sales)	14,74,168	B.Sc., MBA	39	1 <sup>st</sup> July, 1994	JBA Printing Inks Ltd.
Dhruba Jyoti Bhattacharya	53	Chief Manager	14,14,160	M. Sc., MBA		26 <sup>th</sup> December, 2018	Alpla India Pvt. Ltd.

**A. CONSERVATION OF ENERGY****I. The steps taken or impact on conservation of energy;**

Energy efficiency is the key for prosperous future. In current scenario when fuel & electricity costs are sky high it became mandatory that we conserve energy up to maximum extent possible. We at Pearl Polymers are committed to adopt conservation of energy at every level, at offices & manufacturing units. In our endeavor of making our operations more energy efficient & environment friendly, following steps have been taken during last year:

- i. High capacity pumps used for circulation of cold water through all machines and equipments are one of the most power consuming apparatus in our industry. We are planning to change these pumps by state of the art, energy efficient pumps, to save approx 20 to 25 % power without deteriorating desired flow requirements.
- ii. To achieve an average power factor of 0.99, Automatic Power Factor Control panels are being installed at all factories. Apart from this, measures are also been taken to minimize harmonics generation in plant power circuit.
- iii. Apart from above all possible efforts are being made to reduce power consumption on different machines.

**II. The steps taken by the Company for utilizing alternate sources of energy;**

We have started buying electrical power from power exchange (Solar and wind power) for our plants.

**III. The capital investment on energy conservation equipments;**

We have invested significant amount of funds in creating infrastructure for buying power from power exchange. We are also incurring significant amount on modernization of our machine and utility equipments.

**B. TECHNOLOGY ABSORPTION****I. The efforts made towards technology absorption;**

- i. We are working on concepts / products, which will promote the usage of plastic packing in various fields for which presently Glass / Metal are being used.
- ii. We have installed state of the art Finished Goods conveyor system for better efficiency, reducing manual labour and carton damages.

**II. The benefits derived like product improvement, cost reduction, product development or import substitution;**

We successfully managed to reduce the manpower cost by adopting above step.

**III. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year);**

The Company has not imported any technology during the last three years.

**IV. The expenditure incurred on Research and Development;**

To reduce our rejection levels and enhance customer satisfaction level, we have improved the quality of our products by making the significant development in moulds.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Company has recorded export earnings of Rs. 105.30 Lakhs, import payments of Rs. 3535.47 Lakhs and expenditure in foreign currency of Rs. 7.60 Lakhs, details of which have been incorporated in note no. 40 to 42 to the Notes to financial statements.

**Form No. MR-3  
SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31.03.2019****[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 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 as amended]**

**To,**  
**The Members,**  
**Pearl Polymers Limited,**  
A-97/2, Okhla Industrial Area,  
Phase-II, New Delhi-110020

I was appointed by the Board of Directors of M/s. Pearl Polymers Limited (hereinafter called the Company) in the Board Meeting held on 14.02.2018 to conduct Secretarial Audit on Compulsory basis for the financial year of the Company ended on 31<sup>st</sup> March, 2019.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by 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.

**Management's Responsibility for Secretarial Compliances**

The Company's Management is responsible for preparation and maintenance of Secretarial records and for devising proper system to ensure compliance with the provisions of applicable laws and regulations.

**Auditor's Responsibility**

My responsibility is to express an opinion on the Secretarial records, Standards, Procedures followed by the Company with respect to Secretarial Compliances.

**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 and subject to Management Representation Letter, I hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2019, generally complied

with the statutory provisions listed hereunder and also that the Company has in 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 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, Overseas Direct Investment and External Commercial Borrowings; *(not applicable since there is no action/ event in pursuance of said regulation)*
- (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) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations 2009 (upto 10<sup>th</sup> September 2018) and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018(with effect from 11<sup>th</sup> September 2018); (not applicable during the Audit Period);



- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; *(not applicable since there is no action/ event in pursuance of said regulation)*
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; as amended *(not applicable since there is no action/ event in pursuance of said regulation)*
- (f) 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; *(not applicable)*
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *(not applicable since there is no action/ event in pursuance of said regulation)*
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (upto 10<sup>th</sup> September 2018) and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (with effect from 11<sup>th</sup> September 2018); *(not applicable during the Audit Period) and*
- (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015

The Company has identified and confirmed the following laws specifically applicable to the Company and/or followed by the Company:

- (i) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- (ii) The Employment Exchange (CNV) Act, 1959 & Rules,
- (iii) The Payment of Bonus Act, 1965
- (iv) The Payment of Gratuity Act, 1972
- (v) The Employees State Insurance Act, 1948,
- (vi) Labour Welfare Fund Act
- (vii) Contract Labour (R&A) Act, 1970
- (viii) Packaged Commodity Rules, 1977
- (ix) Air (Prevention and control of pollution) Act, 1981

- (x) Water (Prevention and control of pollution) Act, 1974
- (xi) Environment protection Act, 1986
- (xii) Factories Act, 1948
- (xiii) Minimum Wages Act, 1948
- (xiv) The Legal Metrology Act, 2009
- (xv) Trade Mark Act, 1999
- (xvi) Design Act, 2000
- (xvii) Equal Remuneration Act, 1976

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meeting.
  - (ii) Listing Agreements entered into by the Company with National Stock Exchange of India Limited (Scrip Code: PEARLPOLY) and the Bombay Stock Exchange (Scrip Code: 523260). During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned herein: I further report that the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by Statutory Financial Auditors, Internal Auditors and other designated professional. I further report that
1. 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, if any, of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
  2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.



3. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that based on information provided and also on the review of compliance certificates/reports taken on record by the Board of Directors of the Company, in my opinion there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the financial year under review:

The Company has re-appointed Mr. Varun Seth as Whole Time Director for further period of 3 years w.e.f. July 01, 2018.

Except the above, there were no other specific events having any major bearing on the Company's affairs in pursuance of the law, regulations, guidelines, standards, etc, referred to above.

**Place:** New Delhi

**Date:** 07.08.2019

**Sd/-**

**Rashmi Sahni**

**Practicing Company Secretary**

**Membership No: 25681**

**Certificate Practice No. 10493**



To,

**The Members**

**Pearl Polymers Limited,**

A-97/2, Okhla Industrial Area,

Phase-II, New Delhi-110020

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. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I 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, and regulations, standards is the applicability of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

**Rashmi Sahni**

**Practicing Company Secretary**

**Membership No: 25681**

**Certificate Practice No. 10493**

**Place:** New Delhi

**Date:** 07.08.2019

**Form No. MGT-9****Extract of Annual Return for the financial year ended on March 31, 2019**

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

SI No.	Particulars	Details
1.	CIN	L25209DL1971PLC005535
2.	Registration Date	12.02.1971
3.	Name of the Company	Pearl Polymers Limited
4.	Category/Sub-category of the Company	Public Listed Company having Share Capital
5.	Address of the Registered office & contact details	A-97/2, Okhla Industrial Area, Phase-II, New Delhi-110 020 Phone: 011-47385300
6.	Whether Listed Company	Yes
7.	Name, Address and contact details of the Registrar & Transfer Agent	<b>MAS SERVICES LIMITED</b> T-34, 2 <sup>nd</sup> Floor, Okhla Industrial Area, Phase-II, New Delhi -110020 Ph: 011-26387281/82/83 Fax: 011-26387384 Email: <a href="mailto:info@masserv.com">info@masserv.com</a>

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

All the business activities contributing 10% or more of the total turnover of the Company:

S. No.	Name & Description of Main products/ services	NIC Code of the product/ service	% total turnover of the company
1	PET/PP Jars, Bottles etc	22203	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: Not Applicable****IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) :****a) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the Beginning of the year [As on April 01, 2018]				No. of Shares held at the End of the year [As on March 31, 2019]			
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares
<b>A. Promoters</b>								
<b>(1) Indian</b>								
a) Individual/ HUF	3404727	0	3404727	20.22	3284727	41950	3326677	19.76
b) Central Govt	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0
d) Bodies Corp.	5662113	0	5662113	33.64	5782113	0	5782113	34.35
e) Banks / FI	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0
Sub Total (A)(1):	<b>9066840</b>	<b>0</b>	<b>9066840</b>	<b>53.86</b>	<b>9066840</b>	<b>41950</b>	<b>9108790</b>	<b>54.11</b>
<b>(2) Foreign</b>								
a) NRIs- Individuals	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0




**PEARL Polymers Limited**

Category of Shareholders	No. of Shares held at the Beginning of the year [As on April 01, 2018]				No. of Shares held at the End of the year [As on March 31, 2019]			
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares
d) Banks/ FI	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0
<b>Sub-Total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>9066840</b>	<b>0</b>	<b>9066840</b>	<b>53.86</b>	<b>9066840</b>	<b>41950</b>	<b>9108790</b>	<b>54.11</b>
<b>B. Public Shareholding</b>								
<b>1) Institutions</b>								
a) Mutual Funds	0	5410	5410	0.03	0	5410	5410	0.03
b) Banks / FI	300	160	460	0.00	300	160	460	0.00
c) Central Govt	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0
f) Insurance Companies	451422	0	451422	2.68	451422	0	451422	2.68
g) FIs	0	8700	8700	0.05	0	8700	8700	0.05
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>451722</b>	<b>14270</b>	<b>465992</b>	<b>2.76</b>	<b>451722</b>	<b>14270</b>	<b>465992</b>	<b>2.76</b>
<b>2) Non-Institutions</b>								
<b>a) Bodies Corporate</b>								
i) Indian	894435	22551	916986	5.45	921298	22351	943649	5.61
ii) Overseas	0	0	0	0	0	0	0	0
<b>b) Individuals</b>								
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	1995302	780544	2775846	16.49	2028918	741691	2770609	16.45
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	3194794	94550	3289344	19.54	3230685	52600	3283285	19.50
c) Others (specify)	0	0	0	0	0	0	0	0
Non Resident Indians/ Overseas Corporate Bodies	18084	203600	221684	1.32	17847	203600	221447	1.32
Foreign Nationals	0	0	0	0	0	0	0	0
NBFCs registered with RBI	351	0	351	0	1145	0	1145	0.01
Clearing Members	97889	0	97889	0.58	40015	0	40015	0.24
Trusts	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>	<b>6200855</b>	<b>1101245</b>	<b>7302100</b>	<b>43.38</b>	<b>6239908</b>	<b>1020242</b>	<b>7260150</b>	<b>43.13</b>



Category of Shareholders	No. of Shares held at the Beginning of the year [As on April 01, 2018]				No. of Shares held at the End of the year [As on March 31, 2019]			
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares
Total Public Shareholding (B)=(B)(1)+ (B)(2)	6652577	1115515	7768092	46.14	6691630	1034512	7726142	45.89
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>15719417</b>	<b>1115515</b>	<b>16834932</b>	<b>100.00</b>	<b>15758470</b>	<b>1076462</b>	<b>16834932</b>	<b>100.00</b>

**b) Shareholding of Promoter (including Promoter Group)**

SI No.	Shareholder's Name	No. of Shares held						% change in shareholding during the year
		Beginning of the year [April 01, 2018]			End of the year [March 31, 2019]			
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Ms. Suneeta Seth	774939	4.60	0	654939	3.89	0	(0.71)
2	Mr. Chand Seth	890475	5.29	0	890475	5.29	0	0
3	Ms. Nidhi Choudhary	90000	0.53	0	100350	0.60	0	0.07
4	Mr. Varun Seth	597778	3.55	0	608311	3.61	0	0.06
5	Mr. Amit Seth	562000	3.34	0	572533	3.40	0	0.06
6	Mr. Udit Seth	489535	2.91	0	500069	2.97	0	0.06
7	Pacific Pearl Finance & Leasing Ltd	1116001	6.63	0	1236001	7.34	0	0.71
8	Pearl Telefonics Ltd	2328257	13.83	0	2328257	13.83	0	0
9	Theta Investments Pvt Ltd	2063855	12.26	0	2063855	12.26	0	0
10	Pearl Flats (India) Ltd	154000	0.91	0	154000	0.91	0	0

**c) Change In Promoter's Shareholding**

Particulars of Shareholding	Shareholding at the beginning of the Year [April 01, 2018]		Cumulative Shareholding during the year [April 01, 2018 to March 31, 2019]		% Change in Shareholding during the year
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
1. Ms. Suneeta Seth					
At the beginning of the year	774939	4.60	774939	4.60	0
Shares sold on 25.04.2018	70000	0.41	704939	4.19	(0.41)
Shares sold on 27.04.2018	50000	0.30	654939	3.89	(0.71)
At the end of year	-	-	654939	3.89	(0.71)
2. Nidhi Choudhary					
At the beginning of the year	90000	0.53	90000	0.53	0
Shares acquired on 28.03.2019 as beneficiary consequent upon dissolution of HUF.	10350	0.06	100350	0.59	0.06
At the end of year	-	-	100350	0.59	0.06


**PEARL Polymers Limited**

Particulars of Shareholding	Shareholding at the beginning of the Year [April 01, 2018]		Cumulative Shareholding during the year [April 01, 2018 to March 31, 2019]		% Change in Shareholding during the year
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
3. Mr. Varun Seth					
At the beginning of the year	597778	3.55	597778	3.55	0
Shares acquired on 18.03.2019 as beneficiary consequent upon dissolution of HUF.	10533	0.06	608311	3.61	0.06
At the end of year	-	-	608311	3.61	0.06
4. Mr. Amit Seth					
At the beginning of the year	562000	3.34	562000	3.34	0
Shares acquired on 18.03.2019 as beneficiary consequent upon dissolution of HUF.	10533	0.06	572533	3.40	0.06
At the end of year	-	-	572533	3.40	0.06
5. Mr. Udit Seth					
At the beginning of the year	489535	2.91	489535	2.91	0
Shares acquired on 18.03.2019 as beneficiary consequent upon dissolution of HUF.	10534	0.06	500069	2.97	0.06
At the end of year	-	-	500069	2.97	0.06
6. Pacific Pearl Finance & Leasing Ltd.					
At the beginning of the year	1116001	6.63	1116001	6.63	
Shares purchased on 27.04.2018	70000	0.41	1186001	7.04	0.41
Shares purchased on 03.05.2018	50000	0.30	1236001	7.34	0.71
At the end of year	-	-	1236001	7.34	0.71

**d) Shareholding Pattern of top 10 Shareholders (Other than Directors, Promoters and Holders of DRs & ADRs)**

Sl No.	Shareholder's Name	Shareholding at the Beginning of the Year [April 01, 2018]		Cumulative Shareholding during the year [April 01, 2018 to March 31, 2019]		% Change in Shareholding during the year
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
1	Mr. Dugar Chainroop	825398	4.90	829450	4.93	0.76
2	Mr. Dheeraj Kumar Lohia	164966	0.98	468189	2.78	1.83
3	Life Insurance Corporation of India	436272	2.59	436272	2.59	0
4	Mr. Deepak Seth	324000	1.92	324000	1.92	0
5	Sanchay Fincom Ltd	206854	1.22	258020	1.53	0.31
6	Globe Capital Market Limited	0	0	168006	0.99	0.99
7	Sanchay Finvest Limited	0	0	164699	0.98	0.98
8	Mr. Raj Kumar Lohia	0	0	144112	0.86	0.86
9	Mr. Rajendra Madanmal Mehta	91206	0.54	143089	0.85	0.31



10	Shree Suraj Resources Limited	139265	0.83	140651	0.84	0.01
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**e) Shareholding of Directors and Key Managerial Personnel**

SI No.	Name of the Shareholder	Shareholding at the beginning of the Year [April 01, 2018]		Cumulative Shareholding during the year [April 01, 2018 to March 31, 2019]	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>Directors and Key Managerial Personnel</b>					
1	Mr. Chand Seth	890475	5.29	890475	5.29
2	Mr. Varun Seth	597778	3.55	608311	3.61

**Note:** Apart from above, none of the directors and/or KMP holds any share in the Company.

**V. INDEBTEDNESS:**

(Rs. in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	®Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	2812.12	125	1.59	2938.71
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	9.31	-	-	9.31
<b>Total (i+ii+iii)</b>	<b>2821.43</b>	<b>125</b>	<b>1.59</b>	<b>2948.02</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	100.14	54.94	-	155.08
-Reduction	(439.72)	-	(0.67)	(440.39)
<b>Net Change</b>	<b>(339.58)</b>	<b>54.94</b>	<b>( 0.67)</b>	<b>(285.31)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	2472.48	179.94	0.92	2653.34
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	9.36	-	-	9.36
<b>Total (i+ii+iii)</b>	<b>2481.84</b>	<b>179.94</b>	<b>0.92</b>	<b>2662.70</b>

**Note:** ® Unclaimed Deposits are outstanding.

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

**a) Remuneration to Managing Director, Whole-time Directors and/or Manager**

(Rs. in Lakhs)

SI No.	Particulars of Remuneration	Name of MD/WTD/ Manager		
		Mr. Chand Seth	Mr. Varun Seth	Mr. Ramesh Mehra
		Chairman & Managing Director	Whole Time Director	Whole Time Director
1	<b>Gross salary</b>			
a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	35.55	29.70	12.12
b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	12.00	5.27	0
c)	Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0


**PEARL Polymers Limited**

Sl No.	Particulars of Remuneration	Name of MD/WTD/ Manager		
		Mr. Chand Seth	Mr. Varun Seth	Mr. Ramesh Mehra
		Chairman & Managing Director	Whole Time Director	Whole Time Director
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	<b>*Total (A)</b>	<b>47.55</b>	<b>34.97</b>	<b>12.12</b>
	<b>Ceiling as per the Companies Act, 2013</b>	<b>59.40</b>	<b>42.00</b>	<b>18.00</b>

\* The above remuneration does not include contribution made to provident and superannuation fund (as may be applicable) as per Income Tax Rules.

**b) Remuneration to Non Executive and Independent Directors**

(Rs. in Lakhs)

Sl No.	Particulars of Remuneration	Name of the Independent Director			Total
		Ms. Meera Johri	Mr. Ravi Kumar Mehra	Mr. Ashish Harish Bhuva	
		Independent Director	Independent Director	Independent Director	
a)	Fees for attending Board Committee Meetings	0.05	0.20	0.15	0.40
b)	Commission	0	0	0	0
c)	Others, Please specify	0	0	0	0

**c) Remuneration To Key Managerial Personnel other than MD/Manager/WTD**

(Rs. in Lakhs)

Sl No.	Particulars of Remuneration Name and Designation	Key Managerial Personnel	
		Ms. Priyanka	Mr. Dinesh Kumar Tak
		Company Secretary	(Chief Financial Officer)
1	<b>Gross Salary</b>		
a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5.20	12.60
b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
5	Others, please specify	-	-
	<b>Total</b>	<b>5.20</b>	<b>12.60</b>

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES : NIL

**CORPORATE GOVERNANCE REPORT**

To comply with Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements as amended) Regulations, 2015 [“SEBI (LODR) Regulations, 2015”], as amended the report containing the details of Corporate Governance of Pearl Polymers Limited (“the Company”) is as follows:

**COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE**

Company has over the years followed best practices of Corporate Governance. The Company believes that good Corporate Governance goes beyond compliance and disclosures. The driving forces of Corporate Governance at Pearl are transparency, fairness, integrity, equity and accountability. Doing the ‘right things’ in the ‘right manner’ reflects the spirit of Corporate Governance at Pearl. It is a reflection of us - our value system, work culture & thought process.

The Company’s business objective and that of its management and employees is to manufacture and market the Company’s products in such a way as to create value that can be sustained over the long term for consumers, shareholders, employees, business partners and the national economy. The Company relentlessly strives to align its vision and business strategy with the welfare and best interest of all stakeholders. The Company is conscious of the fact that the success of a Corporation is a reflection of the professionalism, conduct and ethical values of its management and employees. In addition to compliance with regulatory requirements, the Company endeavors’ to ensure that highest standards of held by them in other listed entities.

ethical and responsible conduct are met throughout the organization.

**THE BOARD OF DIRECTORS**

The primary role of the Board is to protect and enhance long-term shareholders’ value. It sets the overall strategy for the Company and supervises executive management. It also ensures that good corporate governance policies and practices are implemented in the Company. In the course of discharging its duties, the Board acts in good faith, with due diligence and care, and in the best interests of the Company and its shareholders.

**Composition**

The Board currently comprises six Directors, of whom, three are Executive and other three are Non-Executive Independent Directors (including one Woman Director). The Board has an Executive Chairperson.

According to Regulation 17(1)(b) of SEBI (LODR) Regulations, 2015 as well as relevant provisions under the Companies Act, 2013, where the Chairperson is an Executive Director or a Promoter of the Company, at least one half of the Board of the Company should consist of Independent Directors and this provision is met at your Company .

As per Regulation 26 of SEBI (LODR) Regulations, 2015, none of the Directors on the Company’s Board is a member of more than ten committees or Chairperson of more than five committees across all listed entities in which he/ she is a Director. All the directors have made necessary disclosure regarding Committees positions

The composition of the Board alongwith their Chairmanship and Membership on the Board Committees is tabled below:

Name/ Category of the Director	Number of Directorship <sup>1</sup>	Number of Committee positions held <sup>2</sup>	
		Membership	Chairmanship
<b>Executive Director</b>			
Mr. Chand Seth (Chairman & Managing Director)	5	1	-
Mr. Varun Seth (Whole Time Director)	3	1	-
Mr. Ramesh Mehra (Whole Time Director)	4	4	-
<b>Non-Executive Independent Director</b>			
Ms. Meera Johri (Independent Director)	1	1	1
Mr. Ravi Kumar Mehra (Independent Director)	1	1	1
Mr. Ashish Harish Bhuva (Independent Director)	2	-	-

1. Directorship in private companies, foreign companies and companies registered under Section 8 of the Companies Act, 2013 are excluded in the above table.
2. For the purpose of reckoning the limit, membership/ chairpersonship of Audit Committee and Stakeholders’ Relationship Committee have been considered.



3. Mr. Chand Seth and Mr. Varun Seth are related to each other.
4. None of the Directors on the Board is a member of more than ten Committees or Chairperson of more than five Committees across all the Companies in which he/she is a Director.
5. None of the Independent Directors on the Board are serving as an Independent Director in more than seven listed entities.

**DIRECTORSHIPS IN OTHER LISTED ENTITIES****Name of other listed entities where directors of the Company held directorships as on 31 March 2019**

Name of the Director	Name of the Listed Entity	Category
Ramesh Mehra	Pearl Apartments Limited	Non Executive Independent Director

Except Mr. Ramesh Mehra, none of the Director held Directorship in any other listed entity.

**CORE SKILL/EXPERTISE/COMPETENCIES**

As stipulated under Schedule V of the SEBI Listing Regulations, core skills/expertise/competencies, as required in the context of the business and sector for it to function effectively and those actually available with the Board have been identified by the Board of Directors.

Chart/Matrix of such core skills/expertise/competencies is given below:

S. No.	Skills/Expertise/Competencies
1	Management & Strategy
2	Operations & Engineering
3	Commercial Purchase and Supply Chain
4	Sales & Marketing
5	Research & Development
6	Regulatory Framework Knowledge
7	Knowledge of PET Industry
8	Identifying the growth areas for expanding the business
9	Corporate Governance & Ethics
10	Finance and Taxation
11	Risk Management
12	Law
13	Human Resources & Industrial Relations
14	Information Technology, systems and computers

**BOARD MEETINGS**

During the FY 2018-19, the Board met four times viz. on May 29, 2018; August 14, 2018; November 14, 2018 and February 14, 2019.

The gap between any two consecutive meetings of the Board of Directors of the Company was not more than 120 days. The leave of absence ("LOA") was granted to the Directors as and when requested by them. The Board was made available with necessary information as required to be placed before the Board as per SEBI (LODR) Regulations, 2015 for their discussion and consideration.

Directors' attendance at Board meetings and the Annual General Meeting of the Company held during the year is listed as follows:

Name of the Director	Attendance at the Board Meetings held on				Attendance at the last AGM held on 28.09.2018
	29.05.2018	14.08.2018	14.11.2018	14.02.2019	
Mr. Chand Seth	Yes	LOA	LOA	LOA	Yes
Mr. Varun Seth	Yes	Yes	Yes	Yes	Yes
Mr. Ramesh Mehra	LOA	Yes	Yes	Yes	No
Mr. Ashish Harish Bhuva	LOA	Yes	Yes	Yes	No
Ms. Meera Johri	Yes	LOA	LOA	LOA	Yes



Mr. Ravi Kumar Mehra	Yes	Yes	As required under Regulation 25(7) of the SEBI (LODR) Regulations, 2015, the Company has a familiarization programme for the independent directors. The details of the familiarization programme are available on the Company's website at the link <a href="http://www.pearlpet.net">www.pearlpet.net</a> .
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**INDEPENDENT DIRECTORS (ID)****Separate Meetings**

In line with the mandate given in the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, separate meeting of Independent Directors was held during the year, without the presence of Non Independent Directors and the Management of the Company. During the meeting, the Directors discussed, among other matters, the performance of the Company, Non Independent Directors/Board, Chairperson and flow of information to the Board, competition, strategy, leadership strengths and weaknesses, governance, compliance and such other relevant matters.

**Tenure of Independent Directors**

The tenure of the Independent Directors is fixed in accordance with the requirements laid down in the Companies Act, 2013 and clarifications/circulars issued by the Ministry of Corporate Affairs, in this regard, from time to time.

**BOARD FAMILIARIZATION PROGRAMME**

established and each of them has its specific duties and authorities set out in its own terms of reference.

A) Mandatory Committees	B) Non Mandatory Committees
i) Audit Committee ii) Stakeholders' Relationship Committee iii) Nomination and Remuneration Committee	i) Finance Committee

**A) MANDATORY COMMITTEE****(i) Audit Committee**

The objective of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures. During the under review, in line with the provisions of the SEBI Listing Regulations, as amended, the terms of reference of the Committee were revised by the Board at its meeting held on 14th February, 2019. The revised terms of reference are in accordance with the Companies Act, 2013 and the SEBI Listing Regulations. The detailed terms of reference of audit committee have been placed on the Company's website at [www.pearlpet.net](http://www.pearlpet.net).

**Composition**

The composition of the Audit Committee is as per the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The Committee comprised of Three (3) Members namely, Mr. Ravi Kumar Mehra as Chairperson and Ms. Meera Johri, Mr. Varun Seth as Members.

The Company Secretary acts as a Secretary to the Committee. The members of Audit Committee comprises of majority of Independent Directors. All the Members of the Audit Committee have the required qualification and expertise for appointment on the Committee and possess requisite knowledge of accounting and financial management.

**Meetings**

The members of the Audit Committee met four times during the year. The details of attendance records of the members





of the Audit Committee are as follows:

Name of the Director	Category of Director	Attendance at the Meetings held on			
		29.05.2018	14.08.2018	14.11.2018	14.02.2019
Mr. Ravi Kumar Mehra	Independent Director	Yes	Yes	Yes	Yes
Ms. Meera Johri	Independent Director	Yes	LOA	LOA	LOA
Mr. Varun Seth	Executive Director	Yes	Yes	Yes	Yes

### (ii) Stakeholders' Relationship Committee

Pursuant to the Companies Act, 2013 and the SEBI Listing Regulations, the Company has constituted a Stakeholders' Relationship Committee. This Committee was constituted to specifically look into the process of share transfers, grievances of security holders, if any, and also reviews the working of Company's Registrar & Share Transfer Agent.

During the under review, in line with the provisions of the SEBI Listing Regulations, as amended, the terms of reference of the Committee were revised by the Board at its meeting held on 14th February, 2019. The detailed terms of reference of committee have been placed on the Company's website at [www.pearlpet.net](http://www.pearlpet.net).

#### Composition

The composition of the Stakeholders' Relationship Committee is as per the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The Committee comprised of Four (4) Members namely Ms. Meera Johri as Chairperson, and Mr. Ravi Kumar Mehra, Mr. Chand Seth and Mr. Ramesh Mehra as Members.

#### Meetings

The details of attendance record of the members of the Stakeholders' Relationship committee are as follows:

Name of the Director	Category of Director	Attendance at the Meetings held on			
		29.05.2018	14.08.2018	14.11.2018	14.02.2019
Ms. Meera Johri	Independent Director	Yes	LOA	LOA	LOA
Mr. Ravi Kumar Mehra	Independent Director	Yes	Yes	Yes	Yes
Mr. Chand Seth	Executive Director	Yes	LOA	LOA	LOA
Mr. Ramesh Mehra	Executive Director	LOA	Yes	Yes	Yes

#### Details of Complaints received and Resolved during the financial year 2018-19:

Sl No.	Nature of Complaints/ Requests	Complaints/ Requests Received	Complaints / Requests Resolved	Complaints / Requests Pending
1	Request for Change of Address	25	25	NIL
2	Request for Duplicate shares/ Splitting/ Consolidation of share certificates	15	15	NIL
3	Request for Dematerialization/ Rematerialisation of shares	350	350	NIL
4	Request for Share Transfer/Share Transmission	77	77	NIL
5	Complaints from Stock Exchange/ SEBI/ Depositories	NIL	NIL	NIL
6	Miscellaneous request including redemption of debentures, unclaimed dividend, Annual Reports etc.	7	7	NIL

Further, all the request for transfer of shares has also been processed in time and no transfer were pending for registration for more than 15 days as on March 31, 2019. Ms. Priyanka, Company Secretary was designated as the "Compliance Officer" of the Company in terms of Regulation 6 of SEBI (LODR) Regulations, 2015 during the FY 2018-19. No complaints/grievances are pending for the financial year ended March 31, 2019.

### iii. Nomination and Remuneration Committee

During the under review, in line with the provisions of the SEBI Listing Regulations, as amended, the terms of reference of the Committee were revised by the Board at its meeting held on 14th February, 2019. The revised terms of reference are in accordance with the Companies Act, 2013 and the SEBI Listing Regulations. The detailed



terms of reference of committee have been placed on the Company's website at [www.pearlpet.net](http://www.pearlpet.net).

**Composition**

The composition of the Nomination and Remuneration Committee is as per the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The Committee comprised of Three (3) Members namely Mr. Ravi Kumar Mehra as Chairperson and Ms. Meera Johri, Mr. Ashish Harish Bhuvra as Members.

**Meetings**

The members of the Nomination and Remuneration Committee met one time during the year under review i.e. on 29.05.2018.

The details of attendance record of the members of the Nomination and Remuneration Committee are as follows:

SI No.	Name of the Director	Category of Director	Attendance at the Meeting held on
			29.05.2018
1	Mr. Ravi Kumar Mehra	Independent Director	Yes
2	Ms. Meera Johri	Independent Director	Yes
3	Mr. Ashish Harish Bhuvra	Independent Director	No

**REMUNERATION OF DIRECTORS****PECUNIARY RELATIONSHIP/TRANSACTION WITH NON-EXECUTIVE DIRECTORS**

During the year under review, there was no pecuniary relationship/transaction with any non-executive directors of the Company.

**CRITERIA OF MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS**

Non-executive directors of the Company play a crucial role in the independent functioning of the Board.

They bring in an external perspective to decision-making and provide leadership and strategic guidance while maintaining objective judgment.

The Remuneration Policy, inter alia, disclosing the criteria of making payments to directors and key managerial personnel is placed on the Company's website at [www.pearlpet.net](http://www.pearlpet.net).

**NON-EXECUTIVE DIRECTORS**

Non-executive directors are paid sitting fees as earlier stated in this Report.

**EXECUTIVE DIRECTORS**

During the year under review, the Company paid remuneration to Mr. Chand Seth, Chairman and Managing Director, Mr. Varun Seth, Executive Director, and Mr. Ramesh Mehra, Executive Director of the Company as provided in detail in Form MGT-9, i.e. extract of the Annual Return. Each Director was entitled to Director's remuneration which was determined by the Board with authorization granted by the shareholders at the Company's AGM. The remuneration of Executive Directors and Senior Management of the Company was determined with reference to the Company's performance, profitability and policy, as well as remuneration benchmarks in the industry and the prevailing market conditions.

Remuneration paid to Executive Directors for the financial year 2018-19 is as follows:

(Rs. in Lakhs)

SI No.	Name of the Director	Salary and Allowances	Perquisite	Incentive/ Stock option etc.	Total
1	Mr. Chand Seth	35.55	12.00	-	47.55
2	Mr. Varun Seth	29.70	5.27	-	34.97
3	Mr. Ramesh Mehra	12.12	-	-	12.12

The above mentioned Salary and Perquisites includes all the items of Remuneration package except those which are excluded as per the provisions of schedule V of the Companies Act, 2013. Further, during the year, no contribution to Superannuation Fund is made in respect of any Director except Mr. Varun Seth. Apart from these, there is no any other



element of Remuneration package.

**Sitting fee paid to Non-Executive & Independent Directors for the financial year 2018-19 is as follows:**

(Rs. in Lakhs)

SI No.	Name of the Director	Sitting Fee	Total	No of Shares/ convertible instrument held
1	Mr. Ashish Harish Bhuva	0.15	0.15	0
2	Ms. Meera Johri	0.05	0.05	0
3	Mr. Ravi Kumar Mehra	0.20	0.20	0

The sitting fee paid to Non-executive and Independent Directors was within the limits as prescribed under the Companies Act, 2013. No remuneration other than the sitting fee for attending Board meetings was paid to the Non-Executive and Independent Directors.

#### Performance Evaluation Criteria

The Nomination and Remuneration Committee has adopted a Policy for evaluation of the Board, its Committees and Directors including Independent Directors and the same has been approved by the Board of Directors of the Company. The process for Board Evaluation is given in the Board's Report.

#### B) NON MANDATORY COMMITTEES

In addition to the above referred Committees, the Board of Directors has constituted the Finance Committee of Directors.

##### Finance Committee

The Finance Committee of Directors has been constituted by the Board of Directors of the Company with necessary powers delegated to it with a view to conduct the affairs of the Company smoothly.

During the under review, in line with the provisions of the SEBI Listing Regulations and SEBI (Prohibition of Insider Trading) Regulations, as amended, the role and terms of reference of the Committee were revised by the Board at its meeting held on 14th February, 2019. The revised terms of reference are in accordance with the said Regulations. The detailed terms of reference have been placed on the Company's website at [www.pearlpet.net](http://www.pearlpet.net).

The committee comprised of three members namely Mr. Chand Seth as Chairperson and Mr. Varun Seth, Mr. Ramesh Mehra as Member.

During the financial year 2018-19, the Committee met fortnightly to approve share transfers/ transmission and consider such other matters as may be delegated to the committee by the Board from time to time.

#### MANAGEMENT DISCUSSION AND ANALYSIS

A detailed report on Management's Discussion and Analysis forms part of this Annual Report.

#### GENERAL BODY MEETINGS

##### Annual General Meeting

The details of last three AGM held and Special Resolution passed therein are as mentioned below:

AGM No.	Financial Year	Address	Date and Time	Special Resolution Passed
45 <sup>th</sup>	2015-16	A-97/2, Okhla	30.09.2016 11.30 A.M.	Nil
46 <sup>th</sup>	2016-17	Industrial Area, Phase-II, New Delhi-110020	29.09.2017 11.30 A.M.	Re-appointment of Mr. Chand as Seth, as Chairman & Managing Director for further period of three (3) years.
47 <sup>th</sup>	2017-18		28.09.2018 11.00 A.M.	Nil

##### Extra-Ordinary General Meeting

No Extra-Ordinary General Meeting of the Shareholders was held during the financial year 2018-19.

#### E-VOTING FACILITY

The Company extends the facility for Remote E-voting to the shareholders to exercise their voting rights electronically on all resolutions proposed at ensuing AGM. Detailed procedure for Remote E-voting is provided in the Attendance Slip,



annexed to this Annual Report.

**DETAILS OF POSTAL BALLOT****I. Special Resolutions passed through postal ballot**

During the year, no Special Resolution was passed through postal ballot.

**II. Special Resolutions proposed to be conducted through postal ballot**

No Special Resolution is proposed to be passed through postal ballot.

**DISCLOSURES****Insider Trading**

In terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('PIT Regulations'), the Company has a comprehensive Code of Conduct for regulating, monitoring and reporting of trading by Insiders ('the Code'). The said Code lays down guidelines which provide for the procedure to be followed and disclosures whilst dealing with shares of the Company. The Company had amended and adopted its Code as per SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018. The Company has also put in place the policy on leakage of unpublished price sensitive information laying down the procedure/inquiry in case of leak of unpublished price sensitive information or suspected leak of such information by the Associate Person of the Company and have access to such information

**Related Party Transactions**

All transactions entered into with related parties as defined under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 during the year were on an arm's length price basis and in the ordinary course of business, these have been approved by the Audit Committee. During the year, the Company had amended/made revision in the Policy on Related Party Transactions in order to align with amended Listing Regulations and other applicable laws. The revised policy on Related Party Transactions is available on the website of the Company at [www.pearlpet.net](http://www.pearlpet.net). The details of the related party transactions, as per requirement of Indian Accounting Standard, are disclosed in notes to the financial statements of the Company.

**COMPLIANCE WITH REGULATIONS**

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. There has been no instance of non-compliance with any legal requirement.

The Company has complied with mandatory requirements of SEBI (LODR) Regulations, 2015 and adopted some of the non-mandatory requirements.

**Non-Mandatory****i. Modified opinion(s) in audit report**

The Company confirms that its financial statements are with unmodified audit opinion.

**ii. Reporting of Internal Auditor**

The Internal Auditor reports directly to the Audit Committee.

**CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS**

The Company has obtained a certificate from Ms. Rashmi Sahni, Practicing Company Secretary stating that none of the Directors on the board of the company has been debarred or disqualified from being appointed or continuing as Director of the Company by the Board/ Ministry of Corporate Affairs or any other statutory authority which forms the part of this Annual Report.

**VIGIL MECHANISM & WHISTLE BLOWER POLICY**

The Company has devised a Vigil Mechanism through Whistle Blower Policy for employees and other stakeholders to report their genuine concerns or grievances to the Chairperson of the Audit Committee for any instance of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. No person has been denied access to



## PEARL Polymers Limited

the Audit Committee in this regard. A detail of Policy is available on Company's website [www.pearlpoly.net](http://www.pearlpoly.net).

### CEO AND CFO CERTIFICATION

As required by Regulation 17(8) of SEBI (LODR) Regulations, 2015, Mr. Chand Seth, Chairman & Managing Director and Mr. Dinesh Kumar Tak, Chief Financial Officer have given appropriate certifications to the Board of Directors certifying that the financial statement do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed to this report.

### MEANS OF COMMUNICATION

#### Financial Results

The quarterly, half-yearly and annual financial results are regularly submitted to the Stock Exchanges in accordance with the SEBI (LODR) Regulations, 2015 and are generally published in the below mentioned newspaper:

- i. Financial Express (English Language)
- ii. Hari Bhoomi (Hindi Language)

The results are also posted on the Company's website [www.pearlpoly.net](http://www.pearlpoly.net) after its submission to the Stock Exchanges. These are available in a freely downloadable format. The Annual Report, Quarterly, Half-Yearly and Annual Financial Results, Shareholding Pattern, Intimation of the Board Meetings and other statutory filings with the Stock Exchanges is posted through the filing system of the BSE Listing Centre and NSE Electronic Application Processing System (NEAPS) portals.

### GENERAL SHAREHOLDERS' INFORMATION

#### 48<sup>th</sup> Annual General Meeting

Date and Time	September 27, 2019 at 11:00 A.M.
Venue	A-97/2, Okhla Industrial Area, Phase-II, New Delhi-110020
Dividend payment date	Not Applicable
Book Closure	September 21, 2019 to September 27, 2019 (Both days inclusive)

#### Financial Calendar for the year 2019-20 (Tentative)

Financial Year	2019-20	
Results for the Quarter ending	Audited/Un-audited	Tentative date of reporting
June 30, 2019	Un-audited	On or before August 14, 2019
September 30, 2019	Un-audited	On or before November 14, 2019
December 31, 2019	Un-audited	On or before February 14, 2020
March 31, 2020	Audited	On or before May 30, 2020

### LISTING OF SHARES

The Equity Shares of the Company are at present listed on the following Stock Exchanges:

Name of the Stock Exchange	Stock Code/ Symbol
<b>BSE Limited (BSE)</b> Phiroze Jeejeebhoy Towers, Dalal Street, 25 <sup>th</sup> Floor, Mumbai - 400 001	523260
<b>National Stock Exchange of India Ltd.</b> Exchange Plaza, 5 <sup>th</sup> floor, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051	PEARLPOLY

The annual Listing Fee/ Custodial Fee for the financial year 2018-19 have duly been paid to the Stock Exchanges/



Depositories.

**STOCK MARKET DATA FOR THE FINANCIAL YEAR 2018-19****The monthly high- low of the Share price of the Company**

Monthly/Year	NSE				BSE			
	Share Price				Share Price			
	High	Low	Close	CNX Nifty Close	High	Low	Close	Sensex Close
April 2018	25.50	21.15	23.45	10739.35	26.25	21.70	23.50	35160.36
May 2018	24.55	18.20	18.20	10736.15	23.95	18.25	18.70	35322.38
June 2018	20.35	13.45	15.25	10714.30	20.25	14.65	15.50	35423.48
July 2018	15.50	12.55	14.05	11356.50	14.60	13.05	14.25	37606.58
August 2018	23.06	14.00	18.05	11680.50	23.36	14.50	18.53	38645.07
September 2018	19.35	12.35	12.35	10930.45	18.25	12.35	12.35	36227.14
October 2018	15.50	11.50	12.00	10386.60	15.50	11.40	12.00	34442.05
November 2018	15.25	11.55	13.90	10876.75	15.27	11.56	13.85	36194.30
December 2018	15.75	11.80	15.00	10862.55	16.29	11.70	14.88	36068.33
January 2019	15.30	11.55	12.05	10830.95	15.98	12.83	12.83	36256.69
February 2019	13.20	10.15	11.90	10792.50	13.13	10.18	12.74	35867.44
March 2019	15.50	11.60	13.00	11623.90	15.74	11.25	13.38	38672.91

**Distribution of Shareholding as on March 31, 2019**

Shareholders			Share Amount		
Shareholding of Nominal value	Number of Shareholder	% of total holding	Number of shares	Amount in (Rs.)	% to total share capital
01 to 5000	9336	89.74	1291482	12914820	7.67
5001 to 10000	545	5.24	454351	4543510	2.69
10001 to 20000	243	2.34	371109	3711090	2.20
20001 to 30000	94	0.90	242015	2420150	1.44
30001 to 40000	34	0.33	120646	1206460	0.72
40001 to 50000	39	0.37	184395	1843950	1.09
50001 to 100000	42	0.40	284258	2842580	1.69
100001 and above	70	0.68	13886676	138866760	82.50
<b>Total</b>	<b>10403</b>	<b>100.00</b>	<b>16834932</b>	<b>168349320</b>	<b>100.00</b>

**Categories of Shareholders as on March 31, 2019**

Sl No.	Category	No. of Share Held	% of shareholding
1	Promoters	9108790	54.11
2	Mutual Fund and UTI	5410	0.03
3	Banks, Financial Institutions, NBFC, Insurance Companies (Central/ State Govt. Institutions/Non-government Institutions)	453027	2.69
4	Bodies Corporate	943649	5.61
5	Indian Public	6053894	35.96
6	NRIs/OCBs/FIIs	230147	1.37
7	Clearing Member	40015	0.24
	<b>TOTAL</b>	<b>16834932</b>	<b>100.00</b>

**DEMATERIALISATION OF SHARES AND LIQUIDITY**

As on March 31, 2019, the status of Equity Shares in demat and physical form is provided hereunder:

**PEARL Polymers Limited**

Particulars	No. of Shares	% to share capital
Shares in Demat Form held with NSDL	13781940	81.86
Shares in Demat Form held with CDSL	1976530	11.74
Shares in Physical Form	1076462	6.40
<b>Total</b>	<b>16834932</b>	<b>100.00</b>
Depositories	National Securities Depository Limited (NSDL) Central Depository Services (India) Limited (CDSL)	
ISIN	INE844A01013	

**SHARE TRANSFER SYSTEM**

Shares sent for physical transfer are effected within 15 working days of lodgment, provided all the documents submitted are in order. Pursuant to Regulation 40(9) of the SEBI (LODR) Regulations 2015, the Company obtains a half- yearly certificate on compliance with share transfer process from a Practicing Company Secretary and a copy of the same is filed with the Stock Exchanges.

**OUTSTANDING GDRS/ ADRS/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY**

The Company has not issued GDRs or ADRs or Warrants or any Convertible instruments.

**ADDRESS FOR CORRESPONDENCE DURING THE YEAR WAS AS FOLLOWS:**

Registrar and Share Transfer Agent	Company Secretary
<b>Mas Services Limited</b> T-34, 2 <sup>nd</sup> Floor, Okhla Industrial Area, Phase-II, New Delhi-110020 Phone No :011-26387281-83, Fax No : 011-26387384, E-mail: <a href="mailto:info@masserv.com">info@masserv.com</a> Website: <a href="http://www.masserv.com">www.masserv.com</a>	<b>Ms. Priyanka</b> A-97/2, Okhla Industrial Area, Phase-II, New Delhi-110020 Phone No: 011-47385300 Fax No : 011-47480746 E-mail: <a href="mailto:pearlsecretarial@pearlpet.net">pearlsecretarial@pearlpet.net</a> Website: <a href="http://www.pearlpet.net">www.pearlpet.net</a>

**Note: However, Ms. Priyanka has resigned from the post of the Company Secretary and Compliance Officer of the Company and the Company has accepted her resignation vide its relieving letter dated 07.06.2019 and Mr. Vineet Gupta has been appointed as the Company Secretary and Compliance Officer of the Company w.e.f. 10.06.2019.**

**PLANT LOCATIONS**

Sl No.	Location of Plant(s)	Address
1	Mahad	B-3/2, M.I.D.C. Industrial Area, Mahad, Distt.-Raigad, Maharashtra- 402309
2	Jigani	13-A, Part-I, Jigani Industrial Area, Distt. Anekal, Bangalore, Karnataka- 562106
3	Baddi	Khasra No 512-513, Village Sandholi, P.O. Baddi, Nalagarh, Himachal Pradesh- 173205
4	Pant Nagar	Plot No 45, Sector-3, Village Kalyanpur, Distt U.S.,Nagar, IIE, Rudrapur, Pant Nagar, Uttaranchal- 263153
5	Guwahati	Plot No 10, Jagati Logistic, Distt. Kamrup, Village Sindurghopa Guwahati, Assam – 781101

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

**To the Members of  
Pearl Polymers Limited,**

We have examined the compliance of conditions of Corporate Governance by Pearl Polymers Limited ('the Company'), for the financial year ended March 31, 2019, as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from April 01, 2018 to March 31, 2019. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information, and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Regulations.

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

**For Sehgal Mehta & Co.**

Chartered Accountants

(Firm Registration No. 003330N)

**UDIN:** 19081482AAAABA1507

**Place:** New Delhi

**Date:** August 14, 2019

**Sd/-**

**Naresh Khanna**

Partner

Membership No. 081482

**DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT**

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that the Company has obtained from all the Members of the Board and Senior Management Personnel, affirmation (s) that they have complied with the code of conduct in respect of financial year ended on March 31, 2019.

For and on behalf of **the Board of Directors**

**Sd/-**

**Chand Sethi**

Chairman & Managing Director

**Place:** New Delhi

**Date:** May 15, 2019





**CEO & CFO Certificate**

**To the Board of Directors  
Pearl Polymers Limited**

This is to certify that

1. We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2019 and that to the best of our knowledge and belief we state that :
  - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, 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 violative of Company's code of conduct;
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit committee:
  - a. Significant changes in internal control over financial reporting during the year, if any ;
  - b. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Place:** New Delhi  
**Date:** May 15, 2019

**Sd/-**  
**Chand Seth**  
Chairman & Managing Director

**Sd/-**  
**Dinesh Kumar Tak**  
Chief Financial Officer



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
***(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)***

To,  
The Members of  
Pearl Polymers Limited  
A-97/2, Okhla Industrial Area, Phase II,  
New Delhi- 110020

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Pearl Polymers Limited having CIN: L25209DL1971PLC005535 and having registered office at A-97/2, Okhla Industrial Area, Phase II New Delhi-110020 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	CHAND SETH	00002944	18/03/1971
2.	VARUN SETH	00017552	01/07/2006
3.	RAMESH MEHRA	00003334	31/10/2000
4.	ASHISH BHUVA HARISH	06780082	01/09/2014
5.	MEERA JOHRI	06881924	26/05/2014
6.	RAVI KUMAR MEHRA	06882167	26/05/2014



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

**Place: New Delhi**  
**Date : 07.08.2019**

**Rashmi Sahni**  
**Practicing Company Secretary**  
**Membership No: 25681**  
**Certificate Practice No. 10493**

**INDEPENDENT AUDITOR'S REPORT**

To  
**THE MEMBERS OF**  
**M/s PEARL POLYMERS LTD.**  
**A-97/2, Industrial Area, Phase-II,**  
**Okhla, New Delhi-110020**

**Opinion**

We have audited the accompanying financial statements of **M/S PEARL POLYMERS LTD. ("the Company")**, which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements gives the information required by the Companies Act, 2013 ("the Act") in the manner so required and gives a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Key Audit Matters**

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

**Contingent liabilities and provisions (refer note 39 to the financial statements)**

<b>Key Audit Matter</b>	<b>How the matter was addressed in our audit</b>
<p>The Company operates in various states within India, exposing it to a variety of different Central and State laws, regulations and interpretations thereof. In this complex regulatory environment, there is a risk of litigations and claims.</p> <p>Consequently, provisions and contingent liability disclosures may arise from direct and indirect tax proceedings, legal proceedings, including regulatory and other government/department proceedings, as well as investigations by authorities and commercial claims.</p> <p>At 31 March 2019, the Company's contingent liabilities are disclosed in note 39 to the financial statements.</p> <p>Management applies significant judgement in estimating the likelihood of the future outcome in each case when considering whether, and how much to provide or in determining the required disclosure for the potential exposure of each matter.</p>	<p>Our audit procedures on contingent liabilities and provisions included the following:</p> <ul style="list-style-type: none"> <li>• Obtained the outstanding litigations list as compared to the previous year. Enquired and obtained explanations for movement in litigations during the year.</li> <li>• Inquired with management regarding the status of significant litigations and claims including obtaining legal teams views on the likely outcome of each litigation and claim and the magnitude of potential exposure.</li> <li>• Examined the Company's legal expenses and read the minutes of Board meetings, to evaluate the completeness of list of the open litigations.</li> </ul>



Key Audit Matter	How the matter was addressed in our audit
<p>This is due to the highly complex nature and magnitude of the legal matters involved along with the fact that resolution of tax and legal proceedings may span over multiple years, and may involve protracted negotiation or litigation. Management recognises a provision when it has a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle obligation. A contingent liability is recognised if there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.</p> <p>These estimates could change substantially over time as new facts emerge and as each legal case progresses.</p> <p>Given the inherent complexity and magnitude of potential exposures and the judgment necessary to estimate the amount of provisions required or to determine required disclosures, this is a key audit matter.</p>	<ul style="list-style-type: none"> <li>• Read the latest correspondences between the Company and tax/legal authorities and reviewed legal opinions obtained by management where applicable, for significant matters and considered the same in evaluating the appropriateness of the Company’s provisions or disclosures on such matters.</li> <li>• With respect to tax matters, we involved tax specialists to evaluate the significant cases and the technical grounds for Management’s conclusions on provisions or disclosure of contingent liabilities.</li> <li>• For non-tax matters, we evaluated Management’s decisions and rationale for provisions established or disclosures made for contingent liabilities.</li> </ul>

**Information Other than the Financial Statements and Auditor’s Report Thereon**

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the financial statements and our auditor’s report thereon.

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

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

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

**Management’s Responsibility for the Financial Statements**

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income,

changes in equity and cash flows of the Company in accordance with the Ind-AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are responsible for overseeing the Company’s financial reporting process.

**Auditor’s Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 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 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 financial controls 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) planning the scope of our audit work and in evaluating the results of our work; and
- (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

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

As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge



- and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind-AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2019 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 Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note No.39 to the financial statements).
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Sehgal Mehta & Co.**  
**Chartered Accountants**  
**FRN-003330N**

**Sd/-**  
**(CA Naresh Khanna)**  
**Partner**  
**M.No. 081482**

**Place:** New Delhi

**Date:** 15.05.2019

**Annexure - A to the Auditors' Report**

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Pearl Polymers 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**

We have audited the internal financial controls over financial reporting of **M/s Pearl Polymers Limited ("the Company")** as of 31<sup>st</sup> March 2019 in conjunction with our audit of the 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. 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, 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 internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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.





**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Place:** New Delhi

**Date:** 15.05.2019

**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 31 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 Sehgal Mehta & Co.**

**Chartered Accountants**

**FRN-003330N**

**Sd/-**

**(CA Naresh Khanna)**

**Partner**

**M.No. 081482**

**Annexure - B to the Auditors' Report**

**The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2019, we report that:**

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically by the management during the year. According to the information explanations given to us no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company.
- ii) (a) As explained to us, the inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and the nature of its business.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of the business.
- (c) In our opinion and according to the information and explanations given to us, the company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of the inventories having regard to the size of the operations of the company.
- iii) As explained to us, the company had not granted any loans, secured or unsecured, to any companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.
- iv) The company has not granted any loan, made any investments, provided any guarantee and security within the meaning of section 185 and 186 of the Companies Act, 2013.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits in contravention of Directives issued by Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under, where applicable. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
- vi) As explained to us, The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the activities such as engaged in the production of goods or providing services by the Company.
- vii) (a) According to the records of the company the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, Cess and other material statutory dues applicable to it.
- According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, Service Tax, sales tax, custom duty, excise duty and Cess were in arrears, as at 31<sup>st</sup> March, 2019 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the dues of sales tax, income tax, excise duty and Cess that have not been deposited with appropriate authorities on account of any dispute and the forum where the disputes are pending are given below:-

**PEARL Polymers Limited**

Name of the Statute	Nature of the Dues	Amount ('In'Lakhs)	Period to which the amount relates	Forum where the dispute is pending
The Central Excise Act, 1944	Producing and clearing dutiable and non-dutiable product under Notification No.4/97	360.59	March 1997 to June 1997	Supreme Court of India
The Central Excise Act, 1944	Interest on differential duty paid in respect of supplementary invoices	0.4	January 2001 to April 2003	CESTAT
The Central Excise Act, 1944	Disallowance of Cenvat Credit on the supply of pet chips	7.19	July 2004 to August 2004	Commissioner of Customs & Central Excise (Appeals), Mumbai III
The Central Excise Act, 1944	Remission of Duty of Rs.7,22,122/- for damage of Finished Goods in Fire was rejected by the department.	7.22	2014-2015	Assistant Commissioner of Central Excise Mumbai
The Sales Tax Act	Sales tax assessment CST & VAT demand	19.21	2009-2010	Commissioner of Sales Tax, Rudrapur
The Sales Tax Act	Sales tax assessment CST & VAT demand	5.47	2010-2011	Commissioner of Sales Tax, Rudrapur
The Central Excise Act, 1944	Order passed for reversal of CENVAT CREDIT taken on Capital Goods on 05.07.2017 and appeal filled with 5% security deposit amount.	2.83	April 15 to May 16	Commissioner of Central Excise (Appeals), Chandigarh
		<b>402.92</b>		

- viii) According to the information and explanations given to us, and the records of the companies examined by us, the Company has not defaulted in repayment of loans or borrowings to a financial institution and banks.
- ix) The Company has 'not raised any money by way of initial public offer or further public offer Order is not applicable.
- x) Based upon our audit procedures performed and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For Sehgal Mehta & Co.**  
**Chartered Accountants**  
**FRN-003330N**

Sd/-  
**(CA Naresh Khanna)**

**Partner**

**M.No. 081482**

**Place:** New Delhi

**Date:** 15.05.2019


**BALANCE SHEET AS AT 31st MARCH 2019**

PARTICULARS	Note No.	As at 31st March 2019	As at 31st March 2018
		(Rs. in lakhs)	(Rs. in lakhs)
1	2	3	4
<b>I ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant & Equipment	2	4,929.20	5,431.68
(b) Capital work-in-progress	3	-	10.80
(c) Investment Property	4	25.37	25.88
(d) Other Intangible Assets	5	23.23	10.66
(e) Financial Assets			
(i) Investments	6	208.30	208.30
(ii) Loans	7	249.74	266.54
(f) Other Non-Current Assets	8	29.38	78.08
<b>Sub total Non Current Assets</b>		<b>5,465.22</b>	<b>6,031.94</b>
<b>2 Current assets</b>			
(a) Inventory	9	2,243.62	2,217.62
(b) Financial Assets			
(i) Investments	10	2.71	6.29
(ii) Trade Receivables	11	4,351.15	4,781.10
(iii) Cash and Cash Equivalents	12	238.01	337.65
(iv) Loans	13	25.53	12.00
(v) Other Financial Assets	14	15.29	16.10
(c) Current Tax Assets (Net)	15	27.96	21.64
(d) Other Current Assets	16	248.45	263.85
<b>Sub total Current Assets</b>		<b>7,152.72</b>	<b>7,656.25</b>
<b>TOTAL ASSETS</b>		<b>12,617.94</b>	<b>13,688.19</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity Share Capital	17	1,682.68	1,682.68
(b) Other Equity	18	2,858.53	3,346.29
<b>Sub Total Equity</b>		<b>4,541.21</b>	<b>5,028.97</b>
<b>2 Non-current liabilities</b>			
(a) Financial Liability			
(i) Borrowings	19	538.29	658.98
(b) Provisions	20	341.98	339.20
(c) Deferred Tax Liability (Net)	21	131.90	276.80
(d) Other Non Current Liabilities	22	112.71	170.08
<b>Sub total Non Current Liability</b>		<b>1,124.88</b>	<b>1,445.06</b>
<b>3 Current liabilities</b>			
(a) Financial Liability			
(i) Borrowings	23	2,124.14	2,303.07
(ii) Trade Payables	24	4,166.53	4,290.11
(iii) Other Financial Liabilities	25	180.07	184.36
(b) Other Current Liabilities	26	457.82	413.59
(c) Provisions	27	23.29	23.03
<b>Sub total Current Liability</b>		<b>6,951.85</b>	<b>7,214.16</b>
<b>TOTAL EQUITY AND LIABILITY</b>		<b>12,617.94</b>	<b>13,688.19</b>

Significant Accounting Policies 1

The accompanying notes are an integral part of the financial statements

As per our report of even date 2-54

For Sehgal Mehta & Co.  
Chartered Accountants  
F.R.N: 003330N

For and on behalf of the board of directors

Sd/-  
Naresh Khanna  
Partner  
M.No 081482

Sd/-  
CHAND SETH  
Chairman & Managing Director  
DIN-00002944

Sd/-  
VARUN SETH  
Whole Time Director  
DIN-00017552

Place: New Delhi  
Date : 15th May, 2019

Sd/-  
DINESH KUMAR TAK  
Chief Financial Officer  
M.No.403873

Sd/-  
PRIYANKA  
Company Secretary  
M.No.36870



**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31st MARCH 2019**

PARTICULARS		Note No.	For the year ended 31.03.19 (Rs. in lakhs)	For the year ended 31.03.18 (Rs. in lakhs)
1		2	3	4
1	Revenue from Operations	28	17,871.51	18,100.94
2	Other Income	29	220.71	178.73
3	<b>Total Income (1+2)</b>		<b>18,092.22</b>	<b>18,279.67</b>
4	<b>Expenses</b>			
	(i) Cost of Materials Sold/Consumed	30	11,052.97	9,850.45
	(ii) Purchase of stock in trade	31	153.47	858.15
	(iii) Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	32	(10.96)	270.91
	(iv) Employees Benefits Expnese	33	1,783.99	1,901.42
	(v) Finance Costs	34	494.64	457.40
	(vi) Depreciation and Amortization Expense	35	629.43	589.64
	(vii) Other Expenses	36	4,620.02	4,788.89
	<b>Total Expenses (4)</b>		<b>18,723.56</b>	<b>18,716.86</b>
5	<b>Profit/(loss) before exceptional items and tax (3-4)</b>		(631.34)	(437.19)
6	Exceptional Items		-	-
7	<b>Profit/(loss) before tax (5-6)</b>		<b>(631.34)</b>	<b>(437.19)</b>
8	<b>Tax Expenses:</b>			
	(i) Current Tax		-	-
	(ii) Deferred Tax		(144.90)	(174.04)
	(iii) Tax adjustment for earlier year		-	-
9	<b>Profit (Loss) for the period from continuing operations (7-8)</b>		<b>(486.44)</b>	<b>(263.15)</b>
10	Profit/(loss) from discontinued operations		-	-
11	Tax expense of discontinued operations		-	-
12	<b>Profit/(loss) from Discontinued operations (after tax) (10-11)</b>		-	-
13	<b>Profit/(loss) for the period (9+12)</b>		<b>(486.44)</b>	<b>(263.15)</b>
14	<b>Other Comprehensive Income</b>		(1.32)	42.03
	A (i) Items that will not be reclassified to profit or loss		(1.32)	42.03
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
15	<b>Total Comprehensive Income for the period (13+14) (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		<b>(487.76)</b>	<b>(221.12)</b>
16	<b>Earnings per equity share (for continuing operation):</b>			
	(i) Basic		(2.89)	(1.56)
	(ii) Diluted		(2.89)	(1.56)
17	<b>Earnings per equity share (for discontinued operation):</b>			
	(i) Basic		0.00	0.00
	(ii) Diluted		0.00	0.00
18	<b>Earnings per equity share (for discontinued &amp; continuing operation):</b>	37		
	(i) Basic		(2.89)	(1.56)
	(ii) Diluted		(2.89)	(1.56)

**Significant Accounting Policies**

The accompanying notes are an integral part of the financial statements

As per our report of even date

1

2-54

For Sehgal Mehta & Co.  
Chartered Accountants  
F.R.N: 003330N

Sd/-  
Naresh Khanna  
Partner  
M.No 081482

Place: New Delhi  
Date : 15th May, 2019

For and on behalf of the board of directors

Sd/-  
CHAND SETH  
Chairman & Managing Director  
DIN-00002944

Sd/-  
DINESH KUMAR TAK  
Chief Financial Officer  
M.No.403873

Sd/-  
VARUN SETH  
Whole Time Director  
DIN-00017552

Sd/-  
PRIYANKA  
Company Secretary  
M.No.36870

**CASH FLOW STATEMENT FOR THE YEAR ENDED March 31, 2019**

	For the year Ended March 31, 2019 (Rs. in lakhs)	For the year Ended March 31, 2018 (Rs. in lakhs)
<b>A. Cash flow from operating activities:</b>		
Net profit / (loss) before tax	(631.34)	(437.19)
Adjustments for :		
Depreciation/Amortisation	629.42	589.64
Interest Expense	494.64	457.40
Interest Income	(29.89)	(32.08)
Actuarial Gain routed through OCI	(1.32)	42.03
(Profit)/loss on sale of assets	(69.91)	(7.59)
(Profit)/loss on revaluation of Investments	3.58	(1.94)
<b>Operating profit before working capital changes</b>	<b>395.18</b>	<b>610.27</b>
<b>Adjustments for changes in working capital :</b>		
- (Increase)/Decrease in Sundry Debtors	429.95	(469.31)
- (Increase)/Decrease in Other Receivables	86.99	(150.14)
- (Increase)/Decrease in Inventories	(26.00)	65.55
- Increase/(Decrease) in Trade and Other Payables	(137.46)	1101.25
<b>Cash generated from operations</b>	<b>-.66</b>	<b>1157.61</b>
- Taxes (Paid) / Received	(6.32)	(4.28)
<b>Net cash from operating activities (a)</b>	<b>742.34</b>	<b>1153.33</b>
<b>B. Cash flow from Investing activities:</b>		
Purchase of fixed assets		
Additions during the period	(210.75)	(850.64)
Proceeds from Sale of fixed assets	152.47	9.32
Interest Received (Revenue)	30.95	40.73
<b>Net cash used in investing activities (b)</b>	<b>(27.33)</b>	<b>(800.59)</b>
<b>C. Cash flow from financing activities:</b>		
Proceeds from long term borrowings(Net)	(222.35)	(13.07)
Proceeds from Short Term Borrowing	(77.97)	128.52
Interest Paid	(494.46)	(457.09)
<b>Net cash used in financing activities (c)</b>	<b>(794.78)</b>	<b>(341.64)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (a+b+c)</b>	<b>(79.77)</b>	<b>11.10</b>
<b>Cash and cash equivalents as at 01.04.2018</b>	<b>124.52</b>	<b>113.42</b>
<b>Cash and cash equivalents as at 31.03.2019</b>	<b>44.75</b>	<b>124.52</b>
<b>Cash and cash equivalents comprise</b>		
Cash in hand	7.63	10.23
Balance with Scheduled Banks	37.12	114.29
	<b>44.75</b>	<b>124.52</b>

**Notes :**

- The above Cash flow statement has been prepared under the indirect method set out in Ind AS-7 notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- Figures in brackets indicate cash outgo.
- Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

This is the Cash Flow Statement referred to in our report of even date

For Sehgal Mehta & Co.  
Chartered Accountants  
F.R.N: 003330N

Sd/-  
Naresh Khanna  
Partner  
M.No 081482  
Place: New Delhi  
Date: 15th May, 2019

For and on behalf of the board of directors

Sd/-  
CHAND SETH  
Chairman & Managing Director  
DIN-00002944

Sd/-  
DINESH KUMAR TAK  
Chief Financial Officer  
M.No.403873

Sd/-  
VARUN SETH  
Whole Time Director  
DIN-00017552

Sd/-  
PRIYANKA  
Company Secretary  
M.No.36870

**STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2019****A. EQUITY SHARE CAPITAL (Rs. in Lakhs)**

Particulars	As at year ended 31.03.2019	As at year ended 31.03.2018
Balance at the beginning of the year	1682.68	1682.68
Addition/(Deletion) during the year	-	-
<b>Balance at the end of the year</b>	<b>1682.68</b>	<b>1682.68</b>

**B. OTHER EQUITY (Rs. in Lakhs)**

Particulars	Reserve and Surplus					Other comprehensive income	Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Retained Earnings		
Balance as at 1st April, 2017	144.72	1,733.00	1,868.27	147.42	(352.98)	26.98	3,567.42
Profit for the year 2017-18	-	-	-	-	(263.15)	42.03	(221.12)
<b>Balance as at 31st March, 2018</b>	<b>144.72</b>	<b>1,733.00</b>	<b>1,868.27</b>	<b>147.42</b>	<b>(616.13)</b>	<b>69.01</b>	<b>3,346.29</b>
Profit for the year 2018-19	-	-	-	-	(486.44)	(1.32)	(487.76)
<b>Balance as at 31st March, 2019</b>	<b>144.72</b>	<b>1,733.00</b>	<b>1,868.27</b>	<b>147.42</b>	<b>(1,102.57)</b>	<b>67.69</b>	<b>2,858.53</b>

**Significant Accounting Policies**

1

The accompanying notes are an integral part of the financial statements

As per our report of even date

2-54

For Sehgal Mehta &amp; Co.

Chartered Accountants

F.R.N: 003330N

For and on behalf of the board of directors

Sd/-

CHAND SETH

Chairman &amp; Managing Director

Sd/-

VARUN SETH

Whole Time Director

Sd/-

Naresh Khanna

Partner

M.No 081482

DIN-00002944

DIN-00017552

Sd/-

DINESH KUMAR TAK

Chief Financial Officer

M.No.403873

Sd/-

PRIYANKA

Company Secretary

M.No.36870

Place: New Delhi

Date : 15th May, 2019

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019****1. COMPANY OVERVIEW**

Pearl Polymers Limited is a listed company incorporated and domiciled in India and has its principal place of business at A-97/2, Okhla Industrial Area, Phase-II, New Delhi-110020. The Company is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The principal business of the company is manufacturing and trading of PET Jars and Bottles. The financial statements are approved for issue by the company's board of directors on **May 15, 2019**.

**2. SIGNIFICANT ACCOUNTING POLICIES****I. Basis of preparation and presentation of financial statements****A. Basis of preparation of financial statements**

These financial statements have been prepared and presented on a going concern basis under the historical cost convention (except those revalued), on the accrual basis of accounting and comply with the Indian Accounting Standards prescribed by Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India, guidelines issued by Securities and exchange board of India (SEBI) and the relevant provisions of the Companies Act, 2013/Companies Act, 1956, as adopted consistently by the Company.

**B. Statement of compliance with Ind-As**

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act and other accounting principles generally accepted in India.

**C. Basis of Measurement**

The financial statements have been prepared on a historical cost convention and on an accrual basis except for the defined benefit and other long-term employee benefits obligations and Investments measured at fair value through profit and loss (FVTPL)/ fair value through other comprehensive income (FVTOCI) that have been measured at fair value

as required by relevant Ind-AS.

**D. Use of Estimates and Judgments.**

The preparation of financial statements in conformity with Ind-AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the standalone financial statements is included in the following notes:

- i. Income Taxes:** The Company's tax jurisdiction is India. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.
- ii. Provisions and Contingencies:** The assessments undertaken in recognizing the provisions and contingencies have been made in accordance with Ind-AS 37, 'Provisions, Contingent Liabilities and Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.
- iii. Post-Employment benefit plan:** Employee benefits obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increase and the inflation rate. The company considers that the assumptions





used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

- iv. **Other estimates:** The preparation of standalone financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of standalone financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analysing historical payment patterns etc.

**E. Functional and Presentation Currency**

Items included in the standalone financial statements of the company are measured using Indian Rupee (Rs.) which is the functional currency of the company and the currency of the primary economic environment in which the entity operates. The presentation currency of the company is also Indian Rupee (Rs.) (rounded off to Rs. lakhs up to two decimals)

**II. Summary of significant accounting policies**

**A. Financial Instruments**

**i. Financial Assets**

Financial assets comprise investments in equity and debt instruments, mutual funds, security deposits, inter-corporate deposits, trade receivables, Cash and cash equivalents and other eligible assets.

**Initial recognition and measurement**

All financial assets are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**Subsequent Measurement**

Financial Assets measured at amortized cost: Financial assets held within a business model whose objective is

to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest (SPPI) on principal amount outstanding are measured at amortized cost using effective interest rate (EIR) method. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. These financial assets are subsequently carried at amortized cost using the effective interest method, less any impairment loss. The EIR amortization is recognized as finance income in the Statement of Profit and Loss. Assets at amortized cost are represented by inter corporate deposits, trade receivables, security deposits, cash and cash equivalents and other eligible current and noncurrent financial assets.

- **Financial assets at fair value through other comprehensive income (FVTOCI):** Financial assets held within a business model whose objective is achieved by both collecting the contractual cash flows and selling the financial assets and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payment towards principal and interest (SPPI) on principal outstanding are subsequently measured at FVTOCI. Fair value movements in financial assets at FVTOCI are recognized in other comprehensive income. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain loss in statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from equity to profit and loss. Interest earned is recognized under the expected interest rate (EIR) model.
- **Equity instruments other than investment in associates:** The management determines at the initial recognition of investments in Equity instruments whether to measure it at FVTPL or FVTOCI. However, the equity instruments held for trading are always classified at fair value through Profit or Loss (FVTPL). The classification of investments at FVTOCI is irrevocable. Fair value changes on equity instruments at FVTOCI, excluding dividends, are recognized in other comprehensive income (OCI).
- **Financial assets at fair value through Profit or Loss (FVTPL):** Financial assets are measured at FVTPL if it does not meet the criteria for classification as measured at amortized cost or at fair value through



other comprehensive income. Fair value changes are recognized in Statement of Profit and Loss.

#### De-recognition of financial assets

Financial assets are derecognized when the contractual rights to the cash flows from the financial assets expire or the financial asset is transferred and the transfer qualified for de-recognition. On de-recognition of financial asset in its entirety the difference between the carrying amount (measured at the date of de-recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in Statement of Profit and Loss.

#### Impairment of financial assets

Trade receivables, contract assets, receivables under Ind-AS 109, investments in debt instruments that are carried at amortized cost, investments in debt instruments that are carried at FVTOCI are tested for impairment based on the expected credit losses (ECL) for the respective financial asset. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of Profit and Loss. The approach followed by the company for recognizing the impairment loss is given below:

##### ➤ Trade receivables

An impairment analysis is performed at each reporting date. The expected credit losses over lifetime of the asset are estimated by adopting the simplified approach using a provision matrix which is based on historical loss rates reflecting current condition and forecasts of future economic conditions. The company estimates the following provision matrix at the reporting date:

Period past due	Default rate
0 to 1 year	0%
2 to 2 year	0%
More than 2 years	10%
More than 3 years	100%
Doubtful receivables	100%

##### ➤ Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then

the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

#### ii. Financial liabilities

Financial liabilities comprise trade payables and other eligible liabilities.

#### Initial recognition and measurement

Financial liabilities are initially recognized at fair value. Any transaction costs that are attributable to the acquisition of the financial liabilities (except financial liabilities at fair value through profit or loss) are deducted from the fair value of financial liabilities.

#### Subsequent measurement

➤ **Financial liabilities at amortized cost:** The Company has classified the following under amortized cost:

- a) Trade payables
- b) Other eligible financial liabilities

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the cumulative amortization using the effective interest rate (EIR) method of any difference between that initial amount and the maturity amount.

➤ **Financial liabilities at fair value through profit or loss (FVTPL):** Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Financial liabilities designated upon initial recognition at fair value through profits or losses are designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The company has not designated any financial liability as at fair value through profit and loss.

#### De-recognition of financial liabilities

A financial liability shall be de-recognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

#### iii. Off-setting of financial assets and financial liabilities:



Financial assets and liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legal enforceable right to offset the recognized amounts and intends either to settle on a net basis or to realize the assets and settle the liability simultaneously.

**iv. Reclassification of financial assets**

The Company determines the classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are categorized as equity instruments at FVTOCI and financial assets or financial liabilities that are specifically designated at FVTPL. For financial assets, which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

**B. Inventories**

*Raw materials and stores, work in progress, traded and finished goods.*

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of first-in first-out basis. Costs of purchased inventory are determined after deducting rebates and discounts.

**C. Property, Plant and Equipment**

Property, Plant and Equipment is carried at cost

less accumulated depreciation and accumulated impairment losses. The cost comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price. Cost of self-constructed asset include the cost of material, direct labour and any other costs directly attributable to bringing the asset to its working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of the equipment.

Gains and losses on disposal of an item of Property, Plant and Equipment are determined by comparing the proceeds from disposal with the carrying amount of Property, Plant and Equipment and are recognized net within "Other income/ Other expenses" in the Statement of Profit and Loss.

The cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work- in-progress.

**Subsequent costs**

The cost of replacing part of an item of Property, Plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is de-recognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in the Statement of Profit and Loss.

**Depreciation**

Depreciation on property, plant & equipment is provided on pro-rata to the period of use, on the Straight Line Method rates worked out based on the useful life and in the manner prescribed in the Schedule II to the Companies Act, 2013.

The estimated useful lives of assets for the current and comparative period of significant items of property, plant and equipment are as follows:

Category	Useful life (Years)
Buildings	60
Furniture & Fixture	10
Plant & Machinery	15
Electrical Installation	10
Office Equipments	5



Computer	3
Vehicles	8

The company follows component approach as envisaged in Schedule II to the Companies Act, 2013. The approach involves identification of components of the asset whose cost is significant to the total cost of the asset and has useful life different from the useful life of the remaining assets and in respect of such identified components, useful life is determined separately from the useful life of the main asset.

Assets acquired under finance lease and leasehold improvements are amortized over the lower of estimated useful life and lease term.

Depreciation on additions is provided on a pro-rata basis from the month of acquisition/installation. Depreciation on sale/deduction from property, plant & equipment is provided for up to the date of sale/adjustment, as the case may be.

Modification or extension to an existing asset, which is of capital nature and which becomes an integral part thereof is depreciated prospectively over the remaining useful life of that asset.

The depreciation method, useful lives and residual value are reviewed at each of the reporting date.

**D. Intangible assets**

Intangible asset are carried at cost of acquisition less amortization. The cost of an item of intangible assets comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

**Amortization of Intangible assets**

Intangible assets are amortized on straight line method on pro-rata basis over a period of three years.

**E. Investment property**

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met.

When significant parts of the investment property are required to be replaced at intervals, the Company

depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

The Company depreciates building component of investment property over 60 years from the date of original purchase as per the requirement of Schedule II of the Companies Act, 2013. The leasehold investment properties are amortized over the term of the lease.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are de-recognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

**F. Investments in subsidiaries and associates**

Investment in subsidiaries and associates is recognized at cost less impairment. Dividend income from subsidiaries and associates is recognized when its right to receive the dividend is established.

**G. Foreign currency transactions and balances**

Transactions in foreign currencies are initially recognized in the standalone financial statements using exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the relevant functional currency at the exchange rates prevailing at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate prevailing on the date that the fair value was determined. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Foreign currency differences arising on translation are recognized in the Statement of Profit and Loss for determination of net profit or loss during the period.

**H. Borrowing costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of a



qualifying asset are capitalized as part of the cost of that asset. Other borrowing costs are recognized as expenses in the period in which they are incurred. To the extent the Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the Company determines the amount of borrowings costs eligible for capitalization by applying a capitalization rate to the expenditure incurred on such asset. The capitalization rate is determined based on the weighted average of borrowing costs applicable to the borrowings of the Company which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing costs that the Company capitalizes during a period does not exceed the amount of borrowing costs incurred during that period.

**I. Leases**

**Operating leases**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease charges are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

**J. Deposits provided to lessor**

The company is generally required to pay refundable security deposits in order to obtain property leases from various lessors. Such security deposits are financial assets and are recorded at fair value on initial recognition. The difference between the initial fair value and the refundable amount of the deposit is recognized as a lease prepayment. The initial fair value is estimated as the present value of the refundable amount of security deposit, discounted using the market interest rates for similar instruments. "Subsequent to initial recognition, the security deposit is measured at amortized cost using the effective interest method with the carrying amount increased over the lease period up to the refundable amount. The amount of increase in the carrying amount of deposit is recognized as interest income. The lease prepayment is amortized on a straight line basis over the lease term as lease rental expense.

**K. Revenue**

Revenue from the sale of Flat/Plots is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognized when the

significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. Interest income is recognized as it accrues in Statement of Profit and Loss using the effective interest method.

Profit on trading of mutual fund units is recognized only on redemption of units.

**L. Impairment of non-financial assets**

The carrying amount of the Company's non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from the continuing use that are largely independent of cash inflows of other assets or group of assets (the cash generating unit).

An impairment loss is recognized if the carrying amount of an asset or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss. Impairment losses are recognized in respect of cash generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit or group of units on a pro rata basis.

**Reversal of impairment loss**

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed



the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized directly in other comprehensive income and presented within equity.

**M. Earnings per share (EPS)**

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

**N. Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash on hand, cash at banks, demand deposits, short-term deposits with balance maturity of three months or less as at the balance sheet date, which are subject to an insignificant risk of changes in value.

For the purpose of Statement of Cash Flows, cash and cash equivalents comprise cash on hand, cash at banks, demand deposits, short-term deposits with balance maturity of three months or less from the balance sheet date and other short term investments, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**O. Employee Benefits**

**i. Short Term Benefits**

Employee benefits (other than post employment benefits) which fall due wholly within twelve months after the end of the year in which the employees render the related service are recognized at the amount expected to be paid for it.

**ii. Post Employment Benefits**

The Company participates in various employee benefit plans. Post-employment benefits are

classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial risks fall on the employee. The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company. The present value of the defined benefit obligations is calculated using the projected unit credit method.

The Company has the following post-employment benefit plans:

**Gratuity**

In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method. Actuarial gains or losses are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods.

**iii. Other long term employee benefits**

**Leave Encashment**

The employees of the Company are entitled to leave encashment. The employees can carry forward a portion of the unutilized accumulating leaves and utilize it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for leave encashment in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of leave encashment as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognizes accumulated leave encashment based on actuarial



valuation. Non-accumulating leave encashment are recognized in the period in which the absences occur. The Company recognizes actuarial gains and losses immediately in the statement of profit and loss.

**P. Provisions & Contingencies**

A provision arising from claims, litigation, assessment, fines, penalties, etc. is recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These are reviewed at each balance sheet date and adjusted to reflect current management estimates. Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise. When there is a possible obligation or present obligation where the likelihood of an outflow is remote, no disclosure or provision is made.

- A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed, where an inflow of economic benefits is probable.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

**Q. Income Taxes**

Income tax comprises current tax and deferred tax. Income tax expense is recognized in

the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

**Current Tax**

Current tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

**Deferred Tax**

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in standalone financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.



**2. PROPERTY, PLANT AND EQUIPMENT**

The following table shows changes in Property, Plant and Equipment during the year ended 31st March 2019

Rs. In lakhs

	Land Freehold	Land Leasehold	Building	Plant & Machinery	Electrical Installation	Moulds	Furniture & Fixtures	Office Equipments	Vehicles	Computers	Total
<b>Cost or Valuation</b>											
<b>As at 1.4.2018</b>	90.80	151.42	1,249.90	3,525.54	147.75	1,272.80	26.61	27.83	127.23	24.83	6,644.71
Additions	-	-	4.35	17.73	-	137.69	10.55	3.58	27.12	1.93	202.95
Branch Trf (Received)	-	-	-	112.36	1.48	43.07	-	1.86	-	-	158.77
Disposals	-	-	-	(62.67)	(0.86)	(47.76)	-	-	(0.47)	-	(111.76)
Branch Trf (Send)	-	-	-	(112.36)	(1.48)	(43.07)	-	(1.86)	-	-	(158.77)
<b>As at 31.03.2019</b>	90.80	151.42	1,254.25	3,480.60	146.89	1,362.73	37.16	31.41	153.88	26.76	6,735.90
<b>Depreciation</b>											
<b>As at 1.4.2018</b>	-	3.51	117.24	794.97	30.33	195.49	8.12	10.76	39.89	12.72	1,213.03
Charges for the year	-	1.65	60.11	391.82	14.56	120.52	3.54	4.35	19.90	6.41	622.87
Branch Trf -Received	-	-	-	12.17	-	8.29	-	0.19	-	-	20.65
Disposals	-	-	-	(27.14)	-	(1.92)	-	-	(0.14)	-	(29.20)
Branch Trf (Send)	-	-	-	(12.17)	-	(8.29)	-	(0.19)	-	-	(20.65)
<b>As at 31.03.2019</b>	-	5.16	177.35	1,159.65	44.90	314.09	11.66	15.11	59.65	19.13	1,806.70
<b>Net Block</b>											
<b>As at 31.03.2019</b>	90.80	146.26	1,076.90	2,320.95	101.99	1,048.64	25.50	16.30	94.23	7.63	4,929.20
As at 31.3.2018	90.80	147.91	1,132.67	2,730.56	117.41	1,077.31	18.49	17.07	87.34	12.11	5,431.68

**3. CAPITAL WORK IN PROGRESS**

The following table shows change in Capital Work in Progress during the year ended 31st March 2019

Particulars	Capital work in progress
<b>As at 1.4.2018</b>	10.80
Addition	-
Amount transferred from CWIP	10.80
<b>As at 31.03.2019</b>	-

**4. INVESTMENT PROPERTY**

The following table shows changes in investment Property during the year ended 31st March 2019

	Building	Total (Rs. in lakhs)
<b>Cost or Valuation</b>		
<b>As at 1.4.2018</b>	26.90	26.90
Additions	0.00	0.00
Disposals	0.00	0.00
<b>As at 31.03.2019</b>	26.90	26.90
<b>Depreciation</b>		
<b>As at 1.4.2018</b>	1.02	1.02
Charges for the year	0.51	0.51
Disposals	0.00	0.00
<b>As at 31.03.2019</b>	1.53	1.53
<b>Net Block</b>		
<b>As at 31.03.2019</b>	25.37	25.37
As at 31.3.2018	25.88	25.88

Other disclosures as per Ind-AS 40 "Investment Property"

(i) Amount recognised in Statement of profit and loss for investment properties	Year Ended 31.03.2019	Year Ended 31.03.2018
Rental income	4.50	-





Direct operating expenses from property that generated rental income	-	-
Direct operating expenses from property that did not generate rental income	-	-

**(ii) Contractual Obligations and restrictions**

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

<b>(iii) Fair Value of investment property</b>	<b>Year Ended 31.03.2019</b>	<b>Year Ended 31.03.2018</b>
Investment properties	160.00	178.3

**Estimation of fair value**

The company obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the company considers information from a variety of source including:

-Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences

-Discounted cash flow projections based on reliable estimates of future cash flows

-Capitalised income projections based upon a property's estimated net market income and a capitalisation rate derived from an analysis of market evidence

The fair values of investment in properties have been determined as per the Sale agreement executed by the company on 18th March 2019 with Mr.Mallikarjuna Kalashetty and Mrs.Sujata Kalashetty for sale of property.

**5. INTANGIBLE ASSETS**

<b>Particulars</b>	<b>Software</b>	<b>Total</b>
<b>Gross Carrying value</b>		
<b>As at 1.4.2018</b>	<b>14.94</b>	<b>14.94</b>
<b>Addition</b>	18.60	18.60
<b>Deletions</b>	-	-
<b>As at 31.03.2019</b>	<b>33.54</b>	<b>33.54</b>
<b>Amortization</b>		
<b>As at 1.4.2018</b>	<b>4.28</b>	<b>4.28</b>
Charges for the year	6.03	6.03
Deletions	-	-
<b>As at 31.03.2019</b>	<b>10.31</b>	<b>10.31</b>
<b>Net Carrying Value</b>		
<b>As at 31.03.2019</b>	<b>23.23</b>	<b>23.23</b>
As at 31.3.2018	10.66	10.66


**NON CURRENT ASSETS**

Particulars	As at 31st March 2019	As at 31st March 2018
<b>2 Property Plant &amp; Equipment</b>		
Property, Plant & Equipment (Ref Note 2)	4,929.20	5,431.68
<b>Total Property Plant &amp; Equipment</b>	<b>4,929.20</b>	<b>5,431.68</b>
<b>3 Capital work in progress</b>		
Capital work in progress (Ref Note 3)	-	10.80
<b>Total Capital work in progress</b>	<b>-</b>	<b>10.80</b>
<b>4 Investment Property</b>		
Investment Property (Ref Note 4)	25.37	25.88
<b>Total Capital work in progress</b>	<b>25.37</b>	<b>25.88</b>
<b>5 Other Intangible Assets</b>		
Other Intangible Assets (Ref Note 5)	23.23	10.66
<b>Total Other Intangible Assets</b>	<b>23.23</b>	<b>10.66</b>

**FINANCIAL ASSETS**

6 Investments	As at 31st March 2019	As at 31st March 2018
<b>Investments at fair value through OCI (Fully paid)</b>		
<b>Investment in Associates</b>		
<b>Investment in Preference Shares-Unquoted</b>		
i) 84,500 (Previous Year -84,500) 6% Redeemable Non-Cumulative Preference Shares of Rs.100/- each of Pacific Pearl Finance & Leasing Ltd	84.50	84.50
ii) 7,06,000 Preference Shares (Previous Year -7,06,000) of Rs.100/- each in Pearl Engineering Polymers Ltd.	55.92	55.92
<b>Investment in Equity Shares-Unquoted</b>		
i) 54,92,960 Equity Shares (Previous Year - Nil) Equity Shares of Rs.10/- each in Pearl Engineering Polymers Ltd.	67.01	-
<b>Investment in Equity Shares-Quoted</b>		
i) Nil Equity Shares (Previous Year - 54,92,960) Equity Shares of Rs.10/- each in Pearl Engineering Polymers Ltd.	-	67.01
ii) 27,450 (Previous Year 27,450) Equity Shares of Rs.10/- each in Pearl Apartments Ltd.	0.87	0.87
<b>Total Investments</b>	<b>208.30</b>	<b>208.30</b>
Aggregate market value of Quoted Investments	<b>113.07</b>	67.88
Aggregate amount of Quoted Investments	<b>0.87</b>	67.88
Aggregate amount of Unquoted Investments	<b>207.43</b>	140.42


**PEARL Polymers Limited**

7	<b>Loans</b>	<b>As at 31st March 2019</b>		<b>As at 31st March 2018</b>	
	Security Deposits-unsecured-considered good				
	- Considered Good	249.74		266.54	
	- Less Provision for Doubtful	-	249.74	-	266.54
	<b>Total Loans</b>		<b>249.74</b>		<b>266.54</b>

8	<b>Other Non Current Assets</b>	<b>As at 31st March 2019</b>		<b>As at 31st March 2018</b>	
	Vat Recoverable		0.37		0.37
	Balances with excise and custom authorities		4.43		17.45
	Prepaid Expenses		7.75		5.65
	Excise Duty under protest		-		-
	Capital Advances		16.79		46.80
	Advance to supplier		-		-
	Other advances	4.73		12.50	
	Less: Provision for doubtful advances	(4.69)	0.04	(4.69)	7.81
	<b>Total Other Non Current Assets</b>		<b>29.38</b>		<b>78.08</b>

**CURRENT ASSETS**

9	<b>Inventories</b>	<b>As at 31st March 2019</b>		<b>As at 31st March 2018</b>	
	Raw Materials		534.52		548.91
	Raw Materials in transit		27.59		-
	Finished Goods and Accessories		1,098.90		1,112.52
	Semi-finished Goods		105.38		104.66
	Packing Materials		196.54		201.35
	Stores & Spares		234.31		226.53
	Spares in Transit		-		1.12
	Stock in Trade		46.38		22.53
	<b>Total Inventories</b>		<b>2,243.62</b>		<b>2,217.62</b>

**FINANCIAL ASSETS**

10	<b>Investments</b>	<b>As at 31st March 2019</b>		<b>As at 31st March 2018</b>	
	<b>Investments at fair value through OCI (Fully paid)</b>				
	<b>Others</b>				
	i) 2,000 (Previous Year 2,000) Equity Shares of Rs.10/- in Valliant Communications Ltd.		0.56		1.09
	ii) 3,300 (Previous Year 3,300) Equity shares of Rs.10/- each of Pasupati Fincap Ltd.		0.13		0.14
	iii) 100 (Previous Year 100) Equity shares of Rs.10/- each of Prism Cement Ltd.		0.10		0.11
	iv) 5,000 (Previous Year 5,000) Equity shares of Rs.10/- each of Master Trust Ltd.		1.65		4.50
	v) 600 (Previous Year 600) Equity shares of Rs.10/- each of Dion Global Solutions Ltd		0.02		0.14
	vi) 5,900 (Previous Year 5,900) Equity shares of Rs.10/- each of Market Creator Ltd.		0.25		0.31
	<b>Total Investments</b>		<b>2.71</b>		<b>6.29</b>



11	<b>Trade Receivables</b>	<b>As at 31st March 2019</b>		<b>As at 31st March 2018</b>	
	Unsecured considered good		4,351.15		4,781.10
	Unsecured considered doubtful		159.04		159.04
			4,510.19		4,940.14
	Less: Provision for Doubtful Debts		(159.04)		(159.04)
	<b>Total Trade Receivables</b>		<b>4,351.15</b>		<b>4,781.10</b>
12	<b>Cash and Cash Equivalents</b>	<b>As at 31st March 2019</b>		<b>As at 31st March 2018</b>	
	Balances with Banks				
	- Current account	37.12		114.29	
	Cash in hand	7.63		10.23	
	Deposits with Original Maturity for more than 3 months but less than 12 months (Margin Money)	193.26	238.01	213.13	337.65
	<b>Total Cash and Cash Equivalents</b>		<b>238.01</b>		<b>337.65</b>
13	<b>Loans</b>	<b>As at 31st March 2019</b>		<b>As at 31st March 2018</b>	
	Security Deposits-secured-considered good		25.53		12.00
	<b>Total Loans</b>		<b>25.53</b>		<b>12.00</b>
14	<b>Other Financial Assets</b>	<b>As at 31st March 2019</b>		<b>As at 31st March 2018</b>	
	Interest Receivables		15.01		16.07
	Others Receivables		0.28		0.03
	<b>Total Other Financial Assets</b>		<b>15.29</b>		<b>16.10</b>
15	<b>Current Tax Assets (Net)</b>	<b>As at 31st March 2019</b>		<b>As at 31st March 2018</b>	
	Income tax advances (net of tax liability)		27.96		21.64
	<b>Total Current Tax Assets (Net)</b>		<b>27.96</b>		<b>21.64</b>
16	<b>Other Current Assets</b>	<b>As at 31st March 2019</b>		<b>As at 31st March 2018</b>	
	<b>Advances Recoverable from Related Parties- Unsecured-considered good</b>				
	VAT Recoverable		4.14		12.82
	Balances with GST,excise and custom authorities		82.82		79.38
	Prepaid Expenses		35.82		41.80
	Tour & Other advances to Staff		15.40		14.58
	Capital Advances-unsecured-considered good		-		-
	Advance to supplier		96.34		103.25
	Discounts Receivable		- .0		-
	Others		13.93		12.02
	<b>Total Other Current Assets</b>		<b>248.45</b>		<b>263.85</b>



**EQUITY AND LIABILITIES**

**17 STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019**

**EQUITY SHARE CAPITAL**

Particulars	As at 31st March 2019		As at 31st March 2018	
<b>AUTHORISED</b>				
3,00,00,000(Previous Year-3,00,00,000) Equity shares of Rs.10/- each		3,000.00		3,000.00
20,00,000(Previous Year-20,00,000) Non Cumulative Redeemable Preference Shares of Rs.100/- each		2,000.00		2,000.00
<b>Total Authorised Capital</b>		<b>5,000.00</b>		<b>5,000.00</b>
<b>ISSUED, SUBSCRIBED &amp; FULLY PAID UP</b>				
168,34,932(Previous Year 168,34,932) Equity shares of `10/-each.	1,683.49		1,683.49	
Less : Calls in Arrears	(0.81)	1,682.68	(0.81)	1,682.68
<b>Total issued, subscribed and paid-up capital</b>		<b>1,682.68</b>		<b>1,682.68</b>

(a) The reconciliation of the number of equity shares outstanding is set out below:-

Particulars	No. of Shares	Amount
As at 31st March 2018	16,834,932	16,834,932
Add/(less): Issued/(redeemed) during the year	-	-
As at 31st March 2019	16,834,932	16,834,932

(b) Number of shares held by each equity shareholder holding more than 5 percent of the issued share capital:

Particulars	No. of Shares (in lakhs)	% of holding
<b>As at 31st March 2018</b>		
Mr. Chand Seth	8.90	5.29%
Pearl Telephonics Ltd. (formaly known as Sinclair Exports Ltd.)	23.28	13.83%
Pacific Pearl Finance & Leasing Ltd.	11.16	6.63%
Theta Investments Pvt Ltd	20.64	12.26%
<b>As at 31st March 2019</b>		
Mr. Chand Seth	8.90	5.29%
Pearl Telephonics Ltd. (formaly known as Sinclair Exports Ltd.)	23.28	13.83%
Pacific Pearl Finance & Leasing Ltd.	12.36	7.34%
Theta Investments Pvt Ltd	20.64	12.26%

**18 OTHER EQUITY**

	As at 31st March 2019	As at 31st March 2018
<b>(a) Reserve and Surplus</b>		
<b>Capital Reserve</b>		
Balance at the commencement of the year	144.72	144.72
Add: Addition/(deletion) during the year	-	-
<b>Balance at the end</b>	<b>144.72</b>	<b>144.72</b>
<b>Capital Redemption Reserve</b>		
Balance at the commencement of the year	1,733.00	1,733.00
Add: Addition/(deletion) during the year	-	-
<b>Balance at the end</b>	<b>1,733.00</b>	<b>1733.00</b>
<b>Securities Premium Reserve</b>		
Balance at the commencement of the year	1,868.27	1,868.27
Add: Addition/(deletion) during the year	-	-



<b>Balance at the end</b>	<b>1,868.27</b>	<b>1868.27</b>
<b>General Reserve</b>		
Balance at the commencement of the year	147.42	147.42
Add: Addition/(deletion) during the year	-	-
<b>Balance at the end</b>	<b>147.42</b>	<b>147.42</b>
<b>Retained Earnings</b>		
Balance at the commencement of the year	(616.13)	(352.98)
Add: Profit/(loss) during the year	(486.44)	(263.15)
<b>Balance at the end</b>	<b>(1,102.57)</b>	<b>(616.13)</b>
<b>Total (a)</b>	<b>2,790.84</b>	<b>3277.28</b>
<b>(a) Other Components of Equity</b>		
<b>Remeasurement of net defined benefit plan</b>		
Balance at the commencement of the year	69.01	26.98
Add: Profit/(loss) during the year	(1.32)	42.03
<b>Balance at the end</b>	<b>67.69</b>	<b>69.01</b>
<b>Total (a)</b>	<b>67.69</b>	<b>69.01</b>
<b>Total (a+b)</b>	<b>2,858.53</b>	<b>3346.29</b>

**NON CURRENT LIABILITIES****FINANCIAL LIABILITIES**

19	<b>Borrowings</b>	<b>As at 31st March 2019</b>		<b>As at 31st March 2018</b>	
	<b>Term Loans from Other Parties (secured)</b>		393.52		611.25
	<b>Vehicle Loans from Banks (secured)</b>		29.83		22.79
	<b>Other loans and advances</b>				
	Loan from Directors (unsecured)		104.94		24.94
	Capital Advance Received against sale of property		10.00		-
	<b>Total Borrowings</b>		<b>538.29</b>		<b>658.98</b>

**I Term Loans**

(i) Term Loan of Rs. 20.34 lakhs (Previous Year Rs. 102.57 lakhs) is secured by way of exclusive charges on machines installed at company's all units. The above said loan is further secured by personal guarantees of Mr. Chand Seth and Mr. Varun Seth, Directors of the Company. Repayments - in quarterly installments till 10.6.2019. Current Rate of Interest is 12.70% p.a.

(ii) Term Loan of Rs. 211.08 lakhs (Previous Year Rs. 344.42 lakhs) is secured by way of first charge on immovable property situated at Baddi (Himanchal Pradesh). The above said loan is further secured by personal guarantees of Mr. Chand Seth and Mr. Varun Seth, Directors of the Company. Repayments - in monthly installments till 24.10.2020. Current Rate of interest is 12.70% p.a.

(iii) Term Loan of Rs. 219.68 lakhs (Previous Year Rs. 294.99 lakhs) is secured by way of exclusive charge on some plant & machineries installed at Company's all units and also have negative lien over the property being industrial land & building situated at Baddi (Himanchal Pradesh). The above said loan is further secured by personal guarantee of Mr. Chand Seth & Mr. Varun Seth, Directors of the Company. Repayments - in monthly installments till 28.02.2022. Current Rate of interest is 12.50% p.a.

(iv) Term Loan of Rs. 228.57 lakhs (Previous Year Rs. 200.00 lakhs) is secured by way of exclusive charge on some plant & machineries installed at Company's Mahad, Baddi & Jigani units and also have negative lien over the property being industrial land & building situated at Baddi (Himanchal Pradesh). The above said loan is further secured by personal guarantee of Mr. Chand Seth & Mr. Varun Seth, Directors of the Company. Repayments - in monthly installments till 10.03.2023. Current Rate of interest is 12.50% p.a.



<b>Repayments of above Term Loans are as follows:</b>				
<b>Period of Payment of Installments</b>	<b>Term Loan (i)</b>	<b>Term Loan (ii)</b>	<b>Term Loan (iii)</b>	<b>Term Loan (iv)</b>
From 0 to 1 years	20.34	133.34	75.32	57.15
From 1 to 2 years		77.74	75.32	57.14
From 2 to 3 years	-	-	69.04	57.14
From 3 to 4 years	-	-	-	57.14

**II Vehicles Loans**  
Vehicle loans of Rs.39.83 lakhs (Previous Year Rs. 39.17 lakhs) are secured against hypothecation of respective vehicles. Repayments - in monthly installment till 01.04.2023

**Repayments of above Vehicles Loans are as follows:**  
(i) From 0 to 1 years - Rs. 9.98 lakhs  
(ii) From 1 to 2 years - Rs. 10.89 lakhs  
(iii) From 2 to 3 years - Rs.11.02 lakhs  
(iv) From 3 to 4 years - Rs.7.52 lakhs  
(v) From 4 to 5 years - Rs.0.41 lakhs

**NON FINANCIAL LIABILITIES**

<b>20 Provisions</b>	<b>As at 31st March 2019</b>	<b>As at 31st March 2018</b>
<b>Provision for Employees Benefits</b>		
Gratuity	274.72	273.04
Leave Encashment	67.26	66.16
<b>Total Provisions</b>	<b>341.98</b>	<b>339.20</b>

<b>21 Deferred Tax Liability (Net)</b>	<b>As at 31st March 2019</b>	<b>As at 31st March 2018</b>
<b>Deferred Tax Assets</b>		
Provision for Doubtful Debt and Advances	41.35	41.21
Provision for Leave Encashment	23.24	23.18
Gratuity	71.73	70.31
Unabsorbed Depreciation	292.19	135.04
Bonus	7.45	11.68
	<b>435.96</b>	<b>281.42</b>
<b>Liabilities</b>		
Depreciation	566.56	556.93
Revaluation of investments	1.30	1.29
	<b>567.86</b>	<b>558.22</b>
<b>Total Deferred Tax Liability (Net)</b>	<b>131.90</b>	<b>276.80</b>

<b>22 Other Non Current Liabilities</b>	<b>As at 31st March 2019</b>	<b>As at 31st March 2018</b>
<b>Trade Payables</b>		
For Capital Goods	46.55	95.97
<b>Others</b>		
Security Deposits Received	66.16	74.11
<b>Total Other Non Current Liabilities</b>	<b>112.71</b>	<b>170.08</b>


**CURRENT LIABILITIES  
FINANCIAL LIABILITIES**

23 <b>Borrowings</b>	As at 31st March 2019	As at 31st March 2018
<b>Term Loans from Other Parties (secured)</b> (Refer Note No. I of 19)	286.15	330.73
<b>Vehicle Loans from Banks (secured)</b> (Refer Note No. II of 19)	10.00	16.38
<b>Working Capital Loans (secured)</b>	1,752.99	1,830.96
<b>Loans (ICD) (unsecured)</b>	75.00	125.00
<b>Total Borrowings</b>	<b>2,124.14</b>	<b>2,303.07</b>

**Loan Repayable on demand from Banks (secured)**

Working Capital Loans from Banks are secured by hypothecation of inventories and Book Debts and are further secured by first charge on Company's immovable property at Mahad, Jigani, and Pantnagar. The above said loans are further secured by personal guarantees of Mr.Chand Seth & Mr. Varun Seth, Directors of the Company.

24 <b>Trade Payables</b>	As at 31st March 2019		As at 31st March 2018	
Creditors for Raw materials*		3,007.40		3,160.96
Due to Micro and Small Enterprises (Refer Note No. 50)	2.93		-	
Others	3,004.47		3,160.96	
Creditors for Capital Goods*		65.90		96.28
Creditors for Other Service*		1,093.23		1,032.87
<b>Total Trade Payables</b>		<b>4,166.53</b>		<b>4,290.11</b>

25 <b>Other Financial Liabilities</b>	As at 31st March 2019	As at 31st March 2018
Interest accrued but not due	9.18	9.00
Employee benefits payable		
-Bonus Payable	28.64	31.85
-Exgratia Payable	9.64	14.58
-EPF Payable	15.27	15.35
-ESI Payable	6.85	5.96
-LTA Payable	4.61	2.02
-Professional Tax Payable	0.32	0.38
-Salay Payable	103.34	100.34
-Directors Remuneration Payable	2.22	4.88
<b>Total Other Financial Liabilities</b>	<b>180.07</b>	<b>184.36</b>

**NON FINANCIAL LIABILITIES**

26 <b>Other Current Liabilities</b>	As at 31st March 2019	As at 31st March 2018
ILC Interest payable	12.30	11.55
-Additional Goods Tax Payable	0.49	1.09
-Expense Payable	283.40	251.98
-Sales Tax/VAT Payable	4.50	0.06
-GST Payable	42.11	77.32
TDS Payable	12.27	17.98
-Wages Payable	0.40	9.33
Unclaimed Matured Deposits	0.92	1.61
Staff Advance	6.65	0.80
Pearl Employees Thrift Society	21.52	15.82




**PEARL Polymers Limited**

Stale Cheque	7.56	3.75
Relief Fund	1.13	1.36
Advance Received from customers	64.42	16.50
LIC Recoveries	0.15	0.15
Other Payables	- .0	4.29
<b>Total Other Current Liabilities</b>	<b>457.82</b>	<b>413.59</b>

27 Provisions	As at 31st March 2019	As at 31st March 2018
<b>Provision for Employees Benefits</b>		
Gratuity	1.16	-
Leave Encashment	22.13	23.03
<b>Total Provisions</b>	<b>23.29</b>	<b>23.03</b>

28 Revenue from Operations	As at 31st March 2019	As at 31st March 2018
<b>Sale of products</b>		
Industry sale	16,054.82	15,837.14
Trade sale	1,769.60	2,115.28
	<b>17,824.42</b>	<b>17,952.42</b>
<b>Other operating revenues</b>		
Scrap Sales	47.09	39.51
Others	-	109.01
	<b>47.09</b>	<b>148.52</b>
<b>Total Revenue from Operations</b>	<b>17,871.51</b>	<b>18,100.94</b>

29 Other Income	As at 31st March 2019	As at 31st March 2018
<b>Interest income on</b>		
Bank Deposits	14.46	14.06
Security Deposits	15.43	18.02
Rent Received	4.50	-
Exchange Rate Difference	-	30.52
Net gain/loss on sale of investments	-	1.94
Insurance Claims Received	2.78	2.34
Balances written back	32.17	55.21
Provision for Bad and Doubtful Debts/Advances written back	-	3.96
Profit on sale of Fixed Assets	69.91	7.59
Mould Development charges	31.72	19.82
Provision No Longer Required written back	22.22	0.50
Misc Income	27.52	24.77
<b>Total Other Income</b>	<b>220.71</b>	<b>178.73</b>

30 Cost of Raw Materials Consumed	As at 31st March 2019		As at 31st March 2018	
<b>Raw Materials</b>				
Inventory at the beginning of the year	550.03		397.52	
Add: Purchase	9,693.07		8,415.15	
Less: Inventory at the end of the year	562.11	9,680.99	550.03	8,262.64
<b>Packing Materials</b>				
Inventory at the beginning of the year	201.35		169.05	



Add: Purchase	955.56		1,203.81	
Less: Inventory at the end of the year	196.54	960.37	201.35	1,171.51
<b>Direct Purchase</b>				
Pet Preforms	146.44		134.46	
Caps/Wads	265.17	411.61	281.85	416.30
<b>Total Cost of Raw Materials Consumed</b>		<b>11,052.97</b>		<b>9,850.45</b>

Particulars of Raw Materials consumed	Value Rs. in lakhs March 31, 2019	Value Rs. in lakhs March 31, 2018
Pet Chips	8,409.75	7,105.47
Polypropylene	1,197.72	1,050.52
Other	73.52	106.65
	<b>9,680.99</b>	<b>8,262.64</b>

31 Purchase of Traded goods	As at 31st March 2019	As at 31st March 2018
Pet Bottles & Jars	8.61	768.93
Others	144.86	89.22
	<b>153.47</b>	<b>858.15</b>

32 Changes in inventories of Finished Goods, Stock in Process and Stock in Trade	As at 31st March 2019		As at 31st March 2018	
Inventory at the beginning of the year				
Finished goods and Accessories	1,112.51		1,366.40	
Stock in Trade	22.53		35.72	
Semifinished goods	104.66	1,239.70	108.49	1,510.61
Inventory at the end of the year				
Finished goods and Accessories	(1,098.90)		(1,112.51)	
Stock in Trade	(46.38)		(22.53)	
Semifinished goods	(105.38)	(1,250.66)	(104.66)	(1,239.70)
		<b>(10.96)</b>		<b>270.91</b>

33 Employee benefit Expenses	As at 31st March 2019	As at 31st March 2018
Salary, Wages, Bonus & Other Allowance	1,601.09	1,700.11
Contribution to P.F, ESI & other Funds	137.86	146.39
Staff Welfare expenses	45.04	54.92
<b>Total Employee benefit Expenses</b>	<b>1,783.99</b>	<b>1,901.42</b>

34 Finance Costs	As at 31st March 2019	As at 31st March 2018
Interest Expenses	410.40	384.22
Other Borrowing Cost	84.24	73.18
<b>Total Finance Cost</b>	<b>494.64</b>	<b>457.40</b>

35 Depreciation and Amortization	As at 31st March 2019	As at 31st March 2018
Depreciation	623.40	586.54
Amortization	6.03	3.10
<b>Total Depreciation and Amortization</b>	<b>629.43</b>	<b>589.64</b>


**PEARL Polymers Limited**

36 <b>Other Expenses</b>	<b>As at 31st March 2019</b>		<b>As at 31st March 2018</b>	
Consumption of Stores & Spares		243.95		255.03
Freight, Octroi & Cartage		629.84		747.60
Power and Fuel		1,913.13		1,943.85
Electricity & Water Charges		24.96		27.81
Advertisement, Publicity & Selling expenses		108.77		106.99
Printing, Stationery, Postage, Telephone & Telex		61.69		92.76
Rent		118.53		109.50
Repairs & Maintenance				
- Building		15.44		21.30
- Machinery		64.34		74.12
- Others		41.10		45.52
Insurance		30.37		27.42
Rates & Taxes		15.34		21.59
Commission		17.03		38.11
Conveyance & Travelling expenses		205.07		222.73
Legal & Professional Fees		62.39		76.64
Payment to Auditors (Refer details below)		20.94		24.64
Exchange Rate Fluctuation (Net)		33.25		0.02
Donations		0.67		0.07
Director's Sitting fees		0.40		0.45
Sales Tax Additional Demand		4.45		2.10
Provision for doubtful debts /Advances		-		6.43
Bad debts written off		7.44		2.06
Loss on revaluation of Investments		3.58		-
Advances written off		2.00		1.43
Wages Contractors		708.49		708.55
Security Expense		87.26		90.41
Hire Charges		4.62		21.68
Miscellaneous expenses		40.33		46.58
Job work/Processing charges		154.64		120.89
Excise duty on Branch Transfer		-		27.45
Excise duty on Increase/Decrease of Inventory		-		(86.01)
Vat Reversal		-		0.76
Excise Duty Others		-		8.88
<b>Total Other Expenses</b>		<b>4,620.02</b>		<b>4,787.36</b>
<b>Payment to Auditors</b>	<b>Statutory Auditors</b>		<b>Statutory Auditors</b>	
Audit Fees				
Statutory Audit Fees		5.20		6.94
Limited Review Fee		6.44		6.60
for Taxation matters		6.30		9.60
Management & Other Services		3.00		1.50
<b>Total Payment to Auditors</b>		<b>20.94</b>		<b>24.64</b>
<b>Prior period adjustments</b>				
<b>Expenditure/(Income)</b>				
Freight outward		-		0.33
Misc Expenses		-		1.20
		-		<b>1.53</b>



37 Earning per share (EPS)	2018-19	2017-18
The following reflects the basic and diluted EPS computations :	(Rs. in lakhs)	(Rs. in lakhs)
<b>Total operations for the year</b>		
Net Profit/(Loss) for allocation of basic EPS	(486.44)	(263.15)
	(No. in lakhs)	(No. in lakhs)
Weighted average number of equity shares in calculating basic EPS	168.35	168.35
Basic Earning per share (Rs.)	(2.89)	(1.56)
Total No of weighted average Equity Shares including diluted potential Equity Shares outstanding during the year Diluted Earning per share (Rs.)	168.35	168.35
	(2.89)	(1.56)
<b>38 Estimated amount of contracts remaining to be executed on Capital account and not provided for (Net of Advances)</b>	(Rs. in lakhs)	(Rs. in lakhs)
	42.23	21.15
<b>39 Contingent Liabilities</b>	(Rs. in lakhs)	(Rs. in lakhs)
Bills discounted		
In respect of guarantees executed by Banks against lodgment of counter guarantees of the Company	159.31	92.95
* Provided by way of Margin Money Rs. 39.83 lakhs (Previous Year Rs. 23.24 lakhs)		
In respect of Service Tax	-	0.04
In respect of demands for Excise Duty *	378.23	378.23
* includes:		
The Company had received for its unit at Mahad show cause notice from:-		
Dy. Commissioner of Central Excise. Mahad Division issued SCN for producing & clearing both dutiable and non dutiable product under Notification No. 4/1997 Dated 01.03.1997 for Rs. 360.59 lakhs for the period from March 1997 to June 1997. It appears that Appeal of department is set aside by CESTAT and department has filed appeal before Supreme Court in same matter for earlier period. This case was in call book and has been heard now by Commissioner of Central Excise, Raigad on 11.12.2013 and order is awaited.		
Joint Commissioner of Central Excise has given notice fir for excess availment of cenvat credit on the supply of pet chips by SOUTH ASIAN PETRO CHEM. against invoices from 16.07.2004 to 14.08.2004. Duty recoverable Rs. 7,18,752/- (duty Rs.704659/- + EC Rs.14093/-).		
For Current year Nil (for previous year Asst. Commissioner of Central excise issued notice for Rs 21221/- for interest payment on reversed the cenvat amount against Rm& packing material destroyed in fire incident .point taken in EA 2000 Audit . REPLY SUBMITTED ON 27.08.2015 TO ASSTT COMM CENTRAL EXCISE.)		
Asst. Commissioner of Central excise rejected our remission application submitted 20.04.2015 for damaged of FG in Fire of Rs. 7,22,122/- . REPLY FOR THAT SUBMITTED ON 27.04.17.		
The Superintendent of Central Excise Baddi has issued show cause notice for reversal of cenvat credit taken on capital goods of Rs. 2,83,049/- on 28.12.16. Reply for that submitted to the Superintendent of Central Excise Baddi		



Asst. Commissioner has issued show cause notice relating to supplementary invoices raised from January 2001 to April 2003 and payment of differential duty by the Company. Demand of Rs. 40,000/- approx raised by the department for delay in payment of differential duty. In respect of sales Tax * In respect of assessment order for the year 2009-10 of its unit at Pant Nagar of Rs. 19,21,266/- (CST & VAT demand) In respect of assessment order for the year 2010-11 of its unit at Pant Nagar of Rs. 5,47,435/- (CST & VAT demand) For Curent year of below cases contingent liability Is NIL due to set aside and remand back to Assessing office for fresh assessment by Commissioner Appeals Sales Tax In respect of assessment order for the year 2005-06 of its unit at mahad of Rs. 102.67 lakhs.(VAT) In respect of assessment order for the year 2005-06 of its unit at mahad of Rs. 123.84 lakhs.(CST) In respect of assessment order for the year 2008-09 of its unit at mahad of Rs. 11.85 lakhs.(CST)	<b>24.69</b>	238.36
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<b>40 Value of imports calculated on CIF basis</b>		
Raw Materials	<b>3,535.47</b>	2,409.56
Components and Spare parts	-	-
Traded goods	-	-
Capital goods	-	-
<b>41 Expenditure in foreign currency (accrual basis)</b>		
Travelling and conveyance	-	-
Others	<b>7.60</b>	-
<b>42 Earnings in foreign currency (accrual basis)</b>		
Exports at F.O.B Value - Finished Goods	<b>105.30</b>	27.67

**43 The Foreign Currency exposure that are not hedged by derivative instruments or otherwise are as under :**

Particulars	2018-19		2017-18	
	In Foreign Currency	Rs. in lakhs	In Foreign Currency	Rs. in lakhs
<b>Trade Receivable</b>				
USD	<b>6,953</b>	<b>4.81</b>	5,814	3.77
<b>Trade Payable</b>				
USD	<b>1,325,663</b>	<b>917.89</b>	1,775,686	1,151.35
EURO	<b>10,152</b>	<b>7.89</b>	-	-



44	<b>Imported and Indigenous Raw Materials, Components and Spare parts consumed</b>	<b>% of Total consumption</b>	<b>Value Rs. in lakhs</b>	<b>% of Total consumption</b>	<b>Value Rs. in lakhs</b>
	<b>Raw Materials</b>				
	Imported	33.69	3,723.36	25.31	2,493.51
	Indigenously obtained	66.31	7,329.61	74.69	7,356.94
		100	11,052.97	100	9,850.45
	<b>Spare parts &amp; Components</b>				
	Imported	-	-	-	-
	Indigenously obtained	100	243.95	100	255.03
		100	243.95	100	255.03

45 Purchases are net of incentives received.

46	<b>Related party disclosures</b>				
	Name of relative parties and related party relationship				
	<b>Key Management Personnel</b>				
	Mr.Chand Seth - Chairman & Managing Director				
	Mr.Varun Seth - Whole Time Director				
	Mr. Ramesh Mehra - Whole Time Director				
	<b>Relatives of Key Management personnel and their enterprises</b>				
	<b>where transactions have taken place</b>				
	Mrs. Suneeta Seth				
	Mr. Amit Seth				
	Mr. Udit Seth				
	<b>Related parties where control exists</b>				
	Pearl Flats India Ltd				
	Pacific Pearl Finance & Leasing Ltd				
	Pearl Telefonics Ltd ( Formerly Sinclair Exports Ltd)				
	Theta Investments Pvt Ltd				
	Pearl Engineering Polymers Ltd.				

47	<b>Related party transactions</b>				
	<b>Key Management Personnel</b>				
	<b><u>Remuneration paid</u></b>				
	Mr Chand Seth		51.82		65.48
	Mr Varun Seth		42.99		48.18
	Mr Ramesh Mehra		12.12		14.02
	<b><u>Loan taken</u></b>				
	Mr Chand Seth		130.00		35.00
	<b><u>Loan paid</u></b>				
	Mr Chand Seth		50.00		10.06
	<b><u>Outstanding payable</u></b>				
	Mr Chand Seth		106.33		27.01
	Mr. Varun Seth		0.85		1.62
	Mr. Ramesh Mehra		0.83		1.04



**48 Relatives of Key Management Personnel**

<b>Remuneration paid</b>				
Mr Amit Seth		<b>26.89</b>		30.28
Mr Udit Seth		<b>26.89</b>		30.28
<b>Rent paid</b>				
Theta Investments Pvt Ltd		<b>6.90</b>		6.60
Mrs Suneeta Seth		<b>12.00</b>		12.00
<b>Outstanding Payable</b>				
Mr. Amit Seth		<b>1.31</b>		1.45
Mr. Udit Seth		<b>1.31</b>		1.45
Mrs Suneeta Seth		<b>1.08</b>		1.08

**49 Gratuity and other post employment benefit plans**

<b>Employees Benefits</b>				
The Company has adopted Accounting Standard (AS)-15, "Employees Benefits" notified in the Companies (Accounting Standards) Rules 2006.				
The Company has classified various employees benefits as under:				
<b>Defined Contribution Plans</b>				
The Company has recognized the following amounts in the Profit & Loss Accounts for the year				
I. Employer's Contribution to Provident Fund		<b>45.56</b>		51.84
II. Employer's Contribution to Superannuation Fund		<b>15.20</b>		16.21
III. Employer's Contribution to Employees' Pension Scheme		<b>46.52</b>		48.58
IV. Employer's Contribution to Employees' State Insurance Scheme		<b>25.70</b>		24.18
<b>Defined Benefit Plans</b>				
Valuations in respect of Gratuity, Leave Encashment and Compensated Absences have been carried out by independent actuary, as at the Balance Sheet date based on the following assumptions.				
a) Discount Rate (per annum)		<b>7.75%</b>	7.75%	
b) Rate of increase on compensation levels/escalation in salary		<b>5.00%</b>	5.00%	
c) Expected rate of Return on Plan Assets		<b>7.75%</b>	7.75%	
d) Expected Average remaining working lives of employees in number of years		17 yrs	18 yrs	



Changes in the Present Value of Obligation	Gratuity (Funded)	Leave Encashment	Gratuity (Funded)	Leave Encashment
	31.03.2019 Rs. in lakhs	31.03.2019 Rs. in lakhs	31.03.2018 Rs. in lakhs	31.03.2018 Rs. in lakhs
Present value of Obligation as at 1 <sup>st</sup> April, 2018	307.09	79.38	312.63	113.62
Interest Cost	23.80	6.15	24.23	8.81
Past Service Cost	-	-	20.02	-
Current Service Cost	22.31	14.24	24.67	15.82
Curtailment Cost (Credit)	-	-	-	-
Impact due to settlement	-	-	-	-
Settlement Cost (Credit)	-	-	-	-
Directly paid by Enterprises	-	-	-	-
Benefits Paid	(42.99)	(26.60)	(74.04)	(18.11)
Actuarial Loss/(Gain)	(5.19)	6.51	(0.42)	(40.76)
Foreign Currency exchange rate different from the enterprises reporting currency				
Present value of Obligation as at 31 <sup>st</sup> March , 2019	305.03	79.68	307.09	79.38
<b>Changes in the Fair Value of Plan Assets</b>				
Fair Value of Plan Assets as at 1 <sup>st</sup> April, 2018	34.05	-	20.27	-
Expected Return on Plan Assets	2.64	-	1.57	-
Actuarial Loss/(Gain)	(1.55)	-	0.84	-
Employers' Contribution	36.99	-	85.41	-
Contribution transferred from Group Companies	-	-	-	-
Benefits Paid	(42.99)	-	(74.04)	-
Contributions by Plan	-	-	-	-
Fair Value of Plan Assets as at 31 <sup>st</sup> March, 2019	29.15	-	34.05	-
<b>Percentage of each Category of Plan Assets to total Fair Value of Plan Assets as at 31st March, 2019</b>				
GOI Securities	-	-	-	-
Public Securities	-	-	-	-
Bank Deposits (Special Deposit Scheme 1975)	-	-	-	-
State Government Securities	-	-	-	-
Insurance Policies	29.15	-	34.05	-
Other (including Bank Balances)	-	-	-	-
<b>Reconciliation of Present Value of Define Benefit Obligation and the fair value of Assets</b>				
Present value of funded Obligation as at 31 <sup>st</sup> March, 2019	305.03	79.68	307.09	79.38
Fair Value of Plan Assets as at 31st March, 2019	29.15	-	34.05	-
Funded ( Assets)/Liability recognized in the Balance Sheet				
Present value of Unfunded Obligation as at 31st March, 2019	275.87	79.68	273.04	79.38
Unrecognized past service cost	-	-	-	-
Unrecognized actuarial (Gain)/Losses	-	-	-	-
Unfunded Net Liability recognized in the Balance Sheet	275.87	79.68	273.04	79.38
<b>Amount recognized in the Balance Sheet</b>				
Present value of Obligation as at 31 <sup>st</sup> March ,2019	305.03	79.68	307.09	79.38




**PEARL Polymers Limited**

Fair Value of Plant Assets as at 31 <sup>st</sup> March ,2019	<b>29.15</b>	-	34.05	-
Assets/Liability recognized in the Balance Sheet(Net)	<b>275.87</b>	<b>79.68</b>	273.04	79.38
<b>Expenses recognized in the Profit &amp; Loss Account</b>				
Current Service Cost	<b>22.31</b>	<b>14.24</b>	24.67	15.82
Past service Cost	-	-	20.02	-
Interest Cost	<b>23.80</b>	<b>6.15</b>	24.23	8.81
Expected Return on Plan Assets	<b>(2.64)</b>	-	(1.57)	-
Curtailement Cost (Credit)	-	-	-	-
Settlement Cost (Credit)	-	-	-	-
Net actuarial (Gain)/Loss	<b>(1.26)</b>	<b>6.51</b>	(1.26)	(40.76)
Contribution transferred from Group Companies				
Total Expenses recognized in the Profit & Loss Account	<b>42.21</b>	<b>26.90</b>	66.09	(16.13)

**50 Details of dues to micro enterprises and small enterprises as defined under The Micro, Small and Medium Enterprises Development (MSMED) Act 2006\***

Particulars	March 31, 2019 Rs. in lakhs	March 31, 2018 Rs. in lakhs
a. The principal amount and the interest due thereupon remaining unpaid to any supplier as		
- Principal amount due to micro and small enterprises	<b>2.93</b>	Nil
- Interest due on above	<b>0.10</b>	Nil
b. The amount of interest paid by the buyer in terms of section 16 of the Micro and Small Enterprise Development Act, 2006, alongwith the amounts of the payment made to the supplier beyond the appointed day during each accounting year	<b>Nil</b>	Nil
c. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro and Small Enterprise Development Act, 2006 by the company in term of Section 16 of Micro,Small Enterprise Development Act, 2006	<b>Nil</b>	Nil
d. The amount of interest accrued and remaining unpaid at the end of each accounting year	<b>0.10</b>	Nil
e. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of Micro and Small Enterprises Development Act, 2006	<b>Nil</b>	Nil

\*This information as required to be disclosed under Micro and Small Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company during the year.

**51** The Company is engaged in the manufacture of PET bottles & jars and there is no separate reportable segment as per the Accounting Standard 17 on 'Segment Reporting' notified in the Companies (Accounting Standard) Rules, 2006

**52** During the year, Provision for Income Tax has been made on the basis of Income Tax Act, 1961.



- 53** Disclosure for operating leases under Accounting Standard 19 "Lease". The Company has taken various residential flats/godowns/office premises (including furniture and fittings, there in as applicable) under operating lease or leave and license agreements. These are generally not non-cancellable and range between 11 months and 10 years under leave and license, or longer for other leases and are renewable by mutual consent on mutually agreeable terms. The Company has given refundable interest free security deposits in accordance with the agreed terms. No contingent rents are recognized in the P&L Account.
- 54** Previous Year figures have been regrouped/reclassified, wherever considered necessary to conform to current year's classification.

For Sehgal Mehta & Co.  
Chartered Accountants  
F.R.N: 003330N

Sd/-  
Naresh Khanna  
Partner  
M.No 081482

Place: New Delhi  
Date : 15th May, 2019

For and on behalf of the board of directors

Sd/-  
CHAND SETH  
Chairman & Managing Director  
DIN-00002944

Sd/-  
DINESH KUMAR TAK  
Chief Financial Officer  
M.No.403873

Sd/-  
VARUN SETH  
Whole Time Director  
DIN-00017552

Sd/-  
PRIYANKA  
Company Secretary  
M.No.36870

**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]**

CIN: L25209DL1971PLC005535

Name of the Company: Pearl Polymers Limited

Registered office: A-97/2 Okhla Industrial Area, Phase II, New Delhi-110020

Name of the Member (s):		E-mail Id:	
Registered address:		Folio No/ Client Id: DP ID:	

I/We, being the Member (s) of \_\_\_\_\_ shares of the above named Company, 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 48<sup>th</sup> Annual General Meeting of the Company, to be held on Friday, the 27<sup>th</sup> day of September 2019, At 11:00 A.M. at A-97/2 Okhla Industrial Area, Phase II, New Delhi-110020, the registered office of the Company and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	For	Against
<b>ORDINARY BUSINESS</b>			
1.	To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended on March 31, 2019 together with reports of the Board of Directors' and the Auditors' thereon.		
2.	To appoint a Director in place of Mr. Ramesh Mehra (DIN: 00003334), who retires by rotation and being eligible, offers himself for re-appointment.		
<b>SPECIAL BUSINESS</b>			
3.	Re-appointment of Mr. Ravi Kumar Mehra as an Independent Director of the Company		
4.	Re-appointment of Ms. Meera Johri as an Independent Director		

	of the Company.		
5.	Re-appointment of Mr. Ashish Harish Bhuvra as an Independent Director of the Company.		
6.	<b>A</b> lteration of Articles of Association of the Company thereby adopting new set of Articles of Association of the Company in accordance with the provisions of Companies Act, 2013.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019

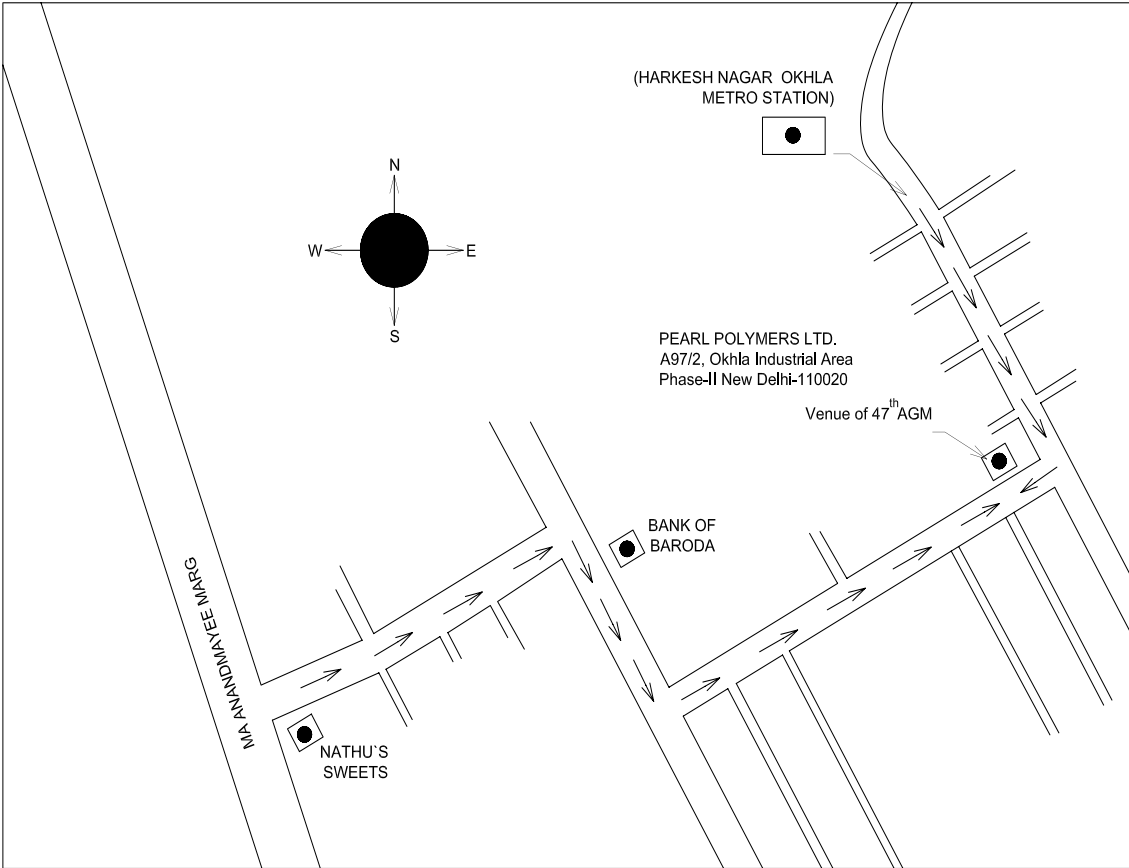


Signature of shareholder \_\_\_\_\_ Signature of Proxy holder(s) \_\_\_\_\_

**Note:**

1. 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.
2. Please put a v in the appropriate column against the resolutions indicated in the Box.
3. In case of joint holders, the signature of any one holder will be sufficient, provided name of all the joint holders should be stated.

# ROUTE MAP TO THE ANNUAL GENERAL MEETING





**REGISTERED OFFICE**

Pearl Polymers Limited  
A-97/2, Okhla Industrial Area  
Phase-II, New Delhi- 110020  
Phone No.:011-47385300  
Fax No.: 011-47480746