



PEARL
Polymers Limited

PET

PARVETIYANA YENDHITHALAYE

JARS
BOTTLES

Regd. Office : A-97/2, Okhla Industrial Area, Phase II, New Delhi – 110020, INDIA

CIN NO. L25209DL1971PLC005535

Tel.No: +91-11-47385300, Fax, +91-11-47480746,

Email: pearl@pearlpet.net, Website: www.pearlpet.net

PPL/SD/LODR/ 2016-2017

10th October, 2016

ONLINE SUBMISSION

National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor
Plot No. C1, G Block
Bandra, Kurla Complex
Bandra (East), Mumbai- 400051
(www.connect2nse.com/LISTING)

(Stock Code: PEARLPOLY)

BSE Ltd.
Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Mumbai-400001
(<http://listing.bseindia.com/>)

(Stock Code: 523260)

Sub: Copy of Annual Report approved and
adopted in the 45th Annual General Meeting


Dear sir,

Pursuant to the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the copy of 45th Annual Report approved and adopted in the Annual General Meeting of the Company held on 30th September, 2016.

We request you to take the above information on record.

Thanking you,

For Pearl Polymers Limited,
For Pearl Polymers Limited


Shilpa Verma
Company Secretary
M.No. A35798

Encl : As above

PEARL POLYMERS LIMITED



45th

ANNUAL REPORT

2015-2016

**BOARD OF DIRECTORS**

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

COMPANY SECRETARY

Ms. Shilpa Verma

AUDITORS

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

BANKERS

Bank of Baroda
Allahabad Bank
IDBI Bank

REGISTERED OFFICE

A-97/2, Okhla Industrial Area Phase-II,
New Delhi-110 020

SHARE DEPARTMENT

A-97/2, Okhla Industrial Area Phase-II,
New Delhi-110 020
Ph. : 47385300, Fax : 47480746

**REGISTRAR & SHARE TRANSFER
AGENT**

MAS Services Ltd.
T-34, IInd Floor, Okhla Industrial Area,
Phase-II, New Delhi-110020
Ph : 011-26387281/82/83
Fax:011-26387384
E-mail:mas_serv@yahoo.com

WORKS:**Mahad**

B-3/2/1, MIDC Industrial Estate, Mahad, Distt. Raigad,
Maharashtra - 403302
B-3/2/2, MIDC Industrial Estate, Mahad, Distt. Raigad,
Maharashtra - 403302
B-3/2/3, MIDC Industrial Estate, Mahad, Distt. Raigad,
Maharashtra - 403302

45th ANNUAL GENERAL MEETING

Day	:	Friday
Date	:	30 th September, 2016
Time	:	11: 30 A.M.
Venue	:	A-97/2, Okhla Industrial Area Phase-II, New Delhi-110020

CONTENTS

Notice of Annual General Meeting	1-3
Directors' Report and Management's Discussion & Analysis	4-22
Report on Corporate Governance	23-38
Independent Auditors' Report on Financial Statements	39-45
Balance Sheet	46
Statement of Profit & Loss	47
Cash Flow Statement	48
Significant Accounting Policies	49-51
Notes on Financial Statements	52-64

Jigani

13-A, Part-I Jigani Industrial Area
Distt. Anekal Bangalore, Karnataka

Pant Nagar

Plot No. 45, Sector-3, Village Kalyanpur, Tehsil Kichha,
Distt. U.S. Nagar, IIE, Pantnagar, Uttaranchal.

Baddi

Khasra No. 512-513, Village-Sandholi (Baddi),
Tehsil-Nalagarh Distt- Solan (H.P)

**Notice to the Shareholders**

NOTICE is hereby given that the **45th Annual General Meeting** of the Members of **Pearl Polymers Limited** will be held on **Friday, the 30 September, 2016, at 11.30 A:M** at the Registered Office of the Company at A-97/2, Okhla Industrial Area, Phase-II, New Delhi-110 020, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company as at 31 March 2016 and the 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.
3. To ratify the appointment of the Statutory Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to section 139, 142 and other applicable provisions of the Companies Act, 2013 read with Rule 3 of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the approval of the shareholders of the Company be and is hereby accorded to ratify the appointment of M/s. Sehgal Mehta & Co., Chartered Accountants (Firm Registration No. 003330N) as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 46th Annual General Meeting, to examine and audit the accounts of the Company for Financial Year 2016-2017, on such remuneration as may be agreed upon by the Board of Directors in consultation with the Auditors."

SPECIAL BUSINESS:

4. **To consider and, if thought fit, to pass with or without modification(s) following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to provisions of Section 20 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules prescribed thereunder, the consent of the members of the Company be and is hereby accorded to charge from a member in advance, a sum equivalent to the estimated actual expenses of delivery of the documents through a particular mode, if any request has been made by such member for delivery of such document to him through such mode of service, provided such request along with the requisite fee has been duly received by the Company at least one week in advance of the dispatch of the document by the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors**For Pearl Polymers Limited****Place: New Delhi****Shilpa Verma****Date: August 11, 2016****Company Secretary****Registered Office:**

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

NOTES:

1. The Explanatory Statement as required under Section 102 of the Companies Act, 2013 in respect of the special business is annexed to this Notice.
2. In terms of Section 152 of the Companies Act, 2013, Mr. Ramesh Mehra (DIN 00003334) Non-Independent Director, is liable to retire by rotation at the Annual General Meeting and being eligible, offer himself for re-appointment. The Board of Directors of the Company commends his respective reappointment.
3. **A MEMBER OF THE COMPANY ENTITLED TO ATTEND AND VOTE AT THE MEETING SHALL BE ENTITLED TO APPOINT ANOTHER PERSON AS HIS/HER PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
4. The instrument appointing proxy, in order to be effective, must be received by the Company at the Registered Office not later than 48 hours before the commencement of the Annual General Meeting. Members / Proxies are requested to sign the attendance slip annexed to the proxy form and hand it over at the gate of the venue of the Annual General Meeting.
5. Pursuant to the provisions of Section 105 of the Companies Act, 2013 and Rule 19(2) of the Companies (Management & Administration) Rules, 2014, 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 a proxy and such proxy shall not act as a proxy for any other person or Member.
6. Corporate Members are requested to send a Board Resolution duly certified, authorising their representative to attend and vote on their behalf at the Annual General Meeting.
7. The proxy form should be signed by the appointer or his/her attorney duly authorised in writing or, if the

appointer is a body corporate, the proxy form should be under its seal or be signed by an officer of the body corporate under his/her official seal or an attorney duly authorised by the body corporate.

8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. The Register of Members and Share Transfer Books of the Company will remain closed from **24 September, 2016 to 30 September, 2016 (both days inclusive)**.
10. Members holding securities in physical form are requested to intimate any change in address, change of name, bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, E-mail address, contact numbers, etc., to the Company's Registrar & Transfer Agent, **MAS Services Limited**, at T-34, IInd Floor, Okhla Industrial Area, Phase-II, New Delhi-110020 (Phone No. 011-26387281/82/83), E-mail: info@masserv.com for providing efficient and better services. Members holding securities in dematerialised form are requested to intimate such changes to their respective depository participants.
11. Members can avail of the facility of nomination in respect of securities held by them in physical form pursuant to the provision of Section 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their nomination in the prescribed form duly filled-in to the Registrar & Transfer Agent. Members holding shares in electronic mode may contact their respective Depository Participant (DP) for availing this facility.
- 12. TRANSFER OF UNCLAIMED DEPOSITS TO INVESTORS EDUCATION AND PROTECTION FUND (IEPF)**

The Company has transferred the unclaimed deposits upto the financial year 2007-2008 from time to time on due dates to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provision of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with the Companies) Rules, 2012, the Company has uploaded the details of unclaimed deposit lying with the Company as on 30 September, 2015 (date of last Annual General Meeting) on the website of the Company as also on the website of the Ministry of Corporate Affairs.

13. In line with the Green Initiative of the Ministry of Corporate Affairs, the Annual Report for the year ended 31 March, 2016 is being sent by electronic mode to those Shareholders whose E-mail addresses are registered with the Company / Depository Participant(s), unless a Shareholder has requested for a physical copy of the same. For Shareholders who have not registered their E-mail addresses, physical copies of the Annual Report are being sent by the permitted mode. However, any Shareholder who wish to have a physical copy of the Annual Report may write to the Company's Registrar at info@masserv.com and

Company Secretary at pearlsecretaria@pearlpet.net

14. To ensure that shareholders' queries are answered in full, shareholders are requested to write to the Company at an early date at an E-mail Id : pearlsecretaria@pearlpet.net
15. The Notice of the Annual General Meeting and the Annual Report will also be available on the Company's website at www.pearlpet.net and these documents will remain open for inspection at the Registered Office of the Company on all working days between 10:00 A.M to 1:00 PM excluding Saturdays, Sundays and public holidays up to the date of the Annual General Meeting.
16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number ("PAN") by every participant 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's Registrar & Transfer Agents.

Voting through Electronic Means

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) 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 45th Annual General Meeting by electronic means which includes "remote e-voting" i.e., from a place other than venue of the Annual General Meeting, provided by National Securities Depository Limited (NSDL). Member of the Company holding shares in physical form or in dematerialized form may exercise their right to vote by electronic means in respect of the resolutions contained in the Notice.

17. The Company has fixed Friday, September 23, 2016, as a cut-off date to record the entitlement of the shareholders to cast their vote at the 45th Annual General Meeting by electronic means under the Companies Act, 2013 and rules made there under.
18. The Members desiring to vote through electronic mode may refer to the detailed procedure for Remote E-voting given in the Attendance Slip, as annexed to this Annual Report.
19. The Remote E-voting period will commence on Tuesday, September 27, 2016 (9.00 A.M.) and ends on Thursday, September 29, 2016 (5:00 P.M.).
20. Ms. Rashmi Sahni, Practicing Company Secretary (Certificate of Practice Number 10493) has been appointed as Scrutinizer to scrutinize the remote e-voting process and voting at the Annual General Meeting in a fair and transparent manner. The Scrutinizer will submit, not later than 3 days of conclusion of the Annual General Meeting, a



consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

21. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website at www.pearlpolymers.net and on the website of NSDL. The same will be communicated to the listed Stock Exchanges viz. National Stock Exchange of India Limited and BSE Limited.
22. As per requirement of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements), 2015 the particulars of a Director retiring by rotation and eligible for reappointment are given herein below :

S. No.	Particulars	Details
1	Name of the Director	Mr. Ramesh Mehra
2	Date of Birth	18 th February, 1950
3	DIN No.	00003334
4	Qualification	Bachelors in Engineering (Industrial Production)
5	Experience in specific functional area	He has over 38 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. We look forward to his expert guidance and mentorship.
6	Directorship held in other Listed Company	Pearl Engineering Polymers Limited Pearl Apartments Limited
7	Membership/ Chairmanship of committee of Listed entities (includes only Audit Committee and Stakeholder's Relationship Committee)	Pearl Engineering Polymers Limited Pearl Apartments Limited
8	Number of shares held in the Company	NIL
9	Relationship with any Director/ KMP of the Company	He is not related to any Director/ KMP of the Company

EXPLANATORY STATEMENTS AS REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013**ITEM NO. 4**

As per the provisions of Section 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by post or by registered post or by speed post or by courier or by delivery at his office or residence address or by such electronic or other mode as may be prescribed.

Further, proviso to sub-section (2) of Section 20 states that a member may request for delivery of any document through a particular mode, for which he/ she shall pay such fees in advance as may be determined by the Company in its Annual General Meeting. Accordingly, the Board of Directors in their meeting held on 11th August, 2016 has proposed that a sum equivalent to the estimated actual expenses of delivery of the documents through a particular mode, if any request has been made by any member for delivery of such documents to him through such mode of service, be taken to cover the cost of such delivery.

None of the Directors or Key Managerial Personnel including their relatives is concerned or interested, financial or otherwise, in the said resolution. The Board recommends the Ordinary Resolution as set out in the Notice for approval of the Members.

By Order of the Board of Directors

For Pearl Polymers Limited

Shilpa Verma

Company Secretary

Place: New Delhi

Date: August 11, 2016

Registered Office:

A-97/2, Okhla Industrial Area,

Phase-II, New Delhi-110020



DIRECTORS' REPORT TO THE MEMBERS,

Your Directors are pleased to present the 45th Annual Report together with the Audited Accounts for the financial year ended 31 March, 2016.

FINANCIAL RESULTS (Standalone)

The Company's financial performance for the year under review along with previous year's figures is given below :

PARTICULARS	Financial Year 2015-16	Financial Year 2014-15
Gross Sales	18647.42	20881.23
Less: Excise Duty	953.63	1023.07
Net Sales	17693.79	19858.16
Other Income	110.28	309.71
Total Income	17804.07	20167.87
Total Expenditure	16650.43	20359.09
Profit Before tax and Exceptional items (PBT)	(39.21)	(191.22)
Tax Expenses		
Current tax	-	0
Deferred Tax	(85.61)	59.43
Profit after Taxation	46.40	(250.65)

BUSINESS PERFORMANCE

During the year under review, the Company's PBT (Profit before Tax and Exceptional Items) is Rs. (39.21) Lakhs from Rs. (191.22) Lakhs in financial year 2014-15. The Gross Sales reflects a marginal decline due to sharp decline in the international prices. The improvement in operating margin has helped the Company to earn Profit (after tax) of Rs. 46.40 Lakhs for the year against a corresponding loss of Rs. 250.65 Lakhs in the previous year.

In order to improve the performance, the Company continues its focus on conversion cost efficiencies, improving product quality and developing capabilities for servicing the stringent requirements of customers.

RESERVES

The Reserves and Surplus of the Company as on 31 March, 2016 stood at Rs. 3602.13 Lakhs. No amount is proposed to be transferred to Reserves during the year.

DIVIDEND

The Board has not proposed any dividend for the financial year ended 31 March, 2016, with a perspective to strengthen financial position of your company and increase value to the shareholders investment. Such a measure eventually will nurture and nourish shareholders wealth.

SHARE CAPITAL

The Authorised Share Capital of the Company is Rs. 5000 Lakhs. The issued, subscribed & paid up capital of the Company was Rs. 1682.69 Lakhs as on 31 March, 2016 consisting of Rs. 16834932 Equity Shares of Rs. 10/- each

HOLDING, SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

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

DIRECTORS

a) Director Liable to Retire by Rotation

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Ramesh Mehra (DIN No. 00003334) Whole Time Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment.

(Rs. in Lakhs)

The details of Director being recommended for re-appointment as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are contained in the accompanying Notice convening the ensuing Annual General Meeting of the Company.

b) Number of meetings of the Board of Directors

During the financial year 2015-2016, the Board of Directors of the Company, met Four (4) times on 27 May, 2015, 12 August, 2015, 9 November, 2015, and 9 February, 2016.

The intervening gap between the Meetings was within the period prescribed under Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with the erstwhile Listing Agreement.

Further, a separate Meeting of the Independent Directors of the Company was also held on 12 August, 2015, as prescribed under Schedule IV to the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

There was no change under the composition of the Board of Directors of the Company during the financial year 2015-16.

c) Changes in Key Managerial Personnel

Pursuant to the provisions of Section 2(51) and 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, following persons are acting as Key Managerial Personnel of the Company as on 31 March, 2016:

Mr. Chand Seth	Chairman & Managing Director
Mr. Varun Seth	Whole Time Director
Mr. Ramesh Mehra	Whole Time Director
Mr. Rajesh Mehra	Chief Financial Officer
Ms. Shilpa Verma	Company Secretary

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

d) Declaration by Independent Director(s)

All the Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules

e) Board Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and Individual Directors pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.

The performance of the Board was evaluated on the basis of criteria such as the board composition and structure, effectiveness of Board processes, participation in assessment of annual operating plan, risks etc. Using appropriate criteria, the performance of the various Committees was separately evaluated by the Board. In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman were evaluated, taking into account the views of executive directors and non-executive directors. For Board evaluation the basic parameters which were considered are as achievement against key performance objectives, attendance at meetings, time devoted for the Company, contribution in the Board process etc.

f) Nomination and Remuneration Policy

Your Board has adopted a Nomination and Remuneration Policy as required by Section 178 of the Companies Act, 2013. The Policy provides for the appointment and removal of Directors, Key Managerial Personnel and other employees and their remuneration. The terms of reference of the Nomination and Remuneration Committee are given in the Report on Corporate Governance under the section "Nomination & Remuneration Committee".

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the financial year ended 31 March, 2016, the Company has not granted any Loan, Guarantee as required under section 186 of the Companies Act, 2013.

The particulars of Investment made by the Company, as required under Section 186 of the Companies Act, 2013 are furnished under Note No. 13 of Notes to Financial Statement

and forms part of this Report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the financial Year 2015-16 were at an arm's length basis and were in the ordinary course of business. Hence, there are no transactions to be reported in Form AOC- 2. There were no materially significant related party transactions made by the Company that would have required members' approval under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All Related Party Transactions are placed before the Audit Committee. The policy on Related Party Transactions as adopted by the Board is uploaded on the Company's website.

Details of Related Party Transaction for the financial year 2015-16 are mentioned in Note no. 40 to 43 of Notes to Financial Statement for the financial year 2015-16.

CORPORATE GOVERNANCE REPORT

Your Company has taken adequate steps to ensure compliance with the provisions of Corporate Governance as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 with the Stock Exchanges. A separate Report on Management Discussion and Analysis is enclosed as part of this Report.

The Company has obtained a certificate from a Statutory Auditors of the Company confirming compliance of the conditions of Corporate Governance as stipulated in Para E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 49 of the erstwhile Listing Agreement. The Certificate is attached as **Annexure-I** forming part of this Directors' Report.

RISK MANAGEMENT POLICY

The risk management process has been established across the organization which facilitates identification, assessment and formulation of mitigation plans for risks that affect the achievement of Company's objectives. It is embedded across all the major functions and businesses and aligned to the Company's vision and goals. The risks are identified, evaluated and mitigated at the business and Enterprise level.

The business risks, which are reviewed based on impact and likelihood, are presented to the Senior Management for review at periodic intervals. The Enterprise risks presented are reviewed by the Audit Committee and Board on a periodic basis.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has a Vigil Mechanism/ Whistle Blower Policy to deal with instances of fraud, unethical behavior, mismanagement etc. The Policy provides a mechanism for employees of the Company and other persons dealing with the Company to report to the Chairman of the Audit Committee 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 the Audit Committee in this regard. The Policy is uploaded on the

Company's website.

POLICY ON PREVENTION OF SEXUAL HARASSMENT

The Company has implemented a Policy for prevention of Sexual Harassment at workplace. This inter alia provides a mechanism for the resolution, settlement or prosecution of acts or instances of Sexual Harassment at work and ensures that all employees are treated with respect and dignity. During the year no complaint was received by the Company.

HUMAN RESOURCE AND INDUSTRIAL RELATIONS

Your Company has always recognised that human relation play a significant role in the development of the skills of employee and improvement of Organisational performance.

The Company organized various employee welfare and get together programmes during the year to foster a culture of engagement amongst employees. As on 31 March, 2016 the employee strength of your Company is 506.

EXTRACT OF ANNUAL RETURN

In terms of the provisions of Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return for the Financial Year 31 March, 2016 in Form MGT-9 is given in Annexure-II to this Report.

INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has an Internal Control Framework which is commensurate with the size, scale and complexity of its operations. This framework ensures adequate safeguards and processes to address the evolving business requirements. Key controls have been identified along with risks and mitigation processes covering major areas across all businesses and functions. Internal controls are reviewed by Internal Auditor on a periodical basis.

Strengthening of controls is a continuous and evolving process in the Company. Based on observations / findings and recommendations of the Internal Auditor, the Company undertake preventive and corrective actions which are then horizontally deployed across the organization.

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

Information relating to 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 –III** to this report.

PARTICULARS OF EMPLOYEES

During the financial year ended 31 March, 2016, none of the employee was in receipt of remuneration exceeding the limit specified under Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of

Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered Office of the company during business hours on working days of the Company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the Secretarial Department of the Company in advance.

GENERAL DISCLOSURES

During Financial Year 2015-16

- a) There were no public deposits accepted by the Company pursuant to provisions of the Companies Act, 2013, including rules thereunder.
- b) There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of Internal Financial Controls and compliance systems established and maintained by the Company, the work performed by the Internal, Statutory and Secretarial Auditors including Audit of Internal Financial Controls over financial reporting by the Statutory Auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's Internal Financial Controls were adequate and effective during the financial year 2015-16.

Pursuant to Section 134(3) (c) of the Companies Act, 2013, the Directors to the best of their knowledge hereby state and confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the Directors had 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 at the end of the financial year and of the profit of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the internal financial controls to be followed by the company were laid down and such internal financial controls were adequate and were operating effectively; and

- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS

a) Statutory Auditors

M/s. Sehgal Mehta & Co. (Firm Registration No. 003330N) Chartered Accountants, were appointed as the Statutory Auditors of the Company at the 43rd Annual General Meeting for a period of 3 years from the conclusion of that meeting till the conclusion of 46th Annual General Meeting, subject to ratification by the members at every Annual General Meeting.

As required under the provisions of Section 139 and 141 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the Company has received a written confirmation from M/s. Sehgal Mehta & Co., Statutory Auditors that their appointment, if made, would be in conformity with the limits specified in the said Section.

The Board recommends the ratification of the appointment of M/s. Sehgal Mehta & Co. (Firm Registration No. 003330N), Chartered Accountants as the Statutory Auditors of the Company for the financial Year 2015-16.

Auditors' Report

There are no qualifications, reservations or adverse remarks or disclaimers made by, Statutory Auditors, in their report. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

b) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014, the Company has appointed Ms. Rashmi Sahni, (C.P. No. 25681) Company Secretaries, to undertake the Secretarial Audit of the Company for the financial year 2015-16.

Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Ms. Rashmi Sahni, Company

Secretaries, was appointed to undertake the Secretarial Audit. The Report of the Secretarial Audit in Form No. MR-3 is attached as **Annexure-IV** with this Report for the year ended 31 March, 2016.

There are no qualifications, reservations or adverse remarks made in the Secretarial Audit Report.

c) Internal Auditor

Ms. Anupma Halder, Chartered Accountants, has been appointed as Internal Auditor of the Company in terms of Section 138 of the Companies Act, 2013 and Rules made there under, for the financial year 2015-16 by the Board of Directors, upon recommendation of the Audit Committee.

d) Cost Auditor

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

MANAGEMENT DISCUSSION & ANALYSIS AND REPORT

In terms of Chapter IV of the SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015, the Management Discussion & Analysis Report on the operations of the Company is provided as a separate section and forms part of this 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.

APPRECIATION

The Directors would like to place on record their appreciation of the contribution made and support provided to the Company by the shareholders, employees, bankers, suppliers and customers.

For and on behalf of the Board of Directors

Chand Seth

Place: New Delhi

Chairman & Managing Director

Date : August 11, 2016

DIN No: 00002944

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure and Developments

The Indian Plastic Industry has been one of the fastest growing sectors in the economy over the past 10 years. This segment is likely to witness high growth in the coming times with changes in life style of the society. The growth will primarily be driven by end-user segments such as personal care, pharmaceuticals, food products including post harvest management etc.

Today, Indian Plastic processing sector comprises of over 30,000 units involved in producing a variety of items through injection moulding, blow moulding, extrusion and calendaring. The capacities built in most segments of this industry coupled with inherent capabilities have made us capable of servicing the overseas markets.

Plastic material is gaining notable importance in different spheres of activity and the per capita consumption is increasing at a fast pace. Continuous advancements and developments in Plastic technology, processing machineries, expertise, and cost effective manufacturing is fast replacing the typical materials. On the basis of value added share, the Indian Plastic industry is about 0.5% of India's GDP.

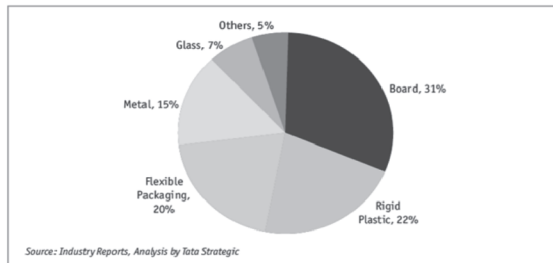
There is need to give more focus on research and development activities in the plastics processing industry at the same time keeping in mind the efficient plastic waste management. The domestic plastic sector has been deregulated and delicensed. With the Budget of financial year 2016-17, 100% Foreign Direct Investment (FDI) is allowed through the automatic route without any sectoral cap.

Rituraj Gupta, President, AIPMA, says, "Most of the government initiatives such as 'Swachha Bharat', 'More Crop per Drop of Water', 'Housing for All', developing 'Smart Cities', would not be possible to implement without using plastics. AIPMA is focusing not only on generating employment but also on entrepreneurship and skill development. Plastic is one of the best alternate materials available, and at times is termed as magic material for it requires minimum energy to be transformed in whichever way one wants it." (Source: *Bilkul News*)

Structure of Plastic Industry

Packaging in general is classified into two significant types i.e. Rigid Packaging and Flexible Packaging. The breakup between various materials used for packaging around the world is shown below.

Global segment breakup of packaging materials (%)



The entire chain in the Plastic industry can be classified into:

- Manufacturing of Polymers and is called "upstream" and
- Conversion of Polymers into plastic articles and is known as "downstream".

The downstream plastic processing industry is highly fragmented and consists of micro, small and medium units. Presently there are about 26,000 registered plastic processing units of which about 75% are in the small-scale sector. The small-scale sector, however, accounts for only about 25% of polymer consumption. The industry also consumes recycled plastic, which constitutes about 30% of total consumption. Plastic processed articles which were earlier exclusively reserved for Small Scale sector has now been de-reserved.

In the first decade of the 21st Century (i.e. between 2000-01 and 2009-10), the demand for plastic raw material got more than doubled from 3.3 Million Metric Ton to 6.8 Million Metric Tons. The demand witnessed (CARG of 13 %) during 1995-96 to 2000-01 could not be sustained in the first five years of the current decade and the CARG went down to 5.7 %. However, the demand has now picked up and has averaged 12 % between 2006-07 and 2009-10.

The domestic downstream industry comprises of 3 broad segments viz.

- Injection molding: A manufacturing process for producing parts by injecting material into a mould.
- Blow molding: A manufacturing process by which hollow plastic parts are formed and
- Extrusion: A manufacturing process used to make pipes, hoses, drinking straws, curtain tracks, rods and fibre.

Despite the industry's high growth spanning over a period of over 2 decades and crossing several milestones, Indian plastics industry is yet to realize its full potential. The low level of per capita plastics consumption in India is indicative of the massive growth potential of the plastic industry. Compared to per capita consumption of plastics in USA at 109 Kg, China at 29 Kg and Brazil at 32 Kg. India at 5.8 Kg is still in nascent stage. USA consumption has reached saturation level, while China's higher levels of consumption are primarily due to exports. India has the advantage of high population and is expected to maintain high economic growth. This should propel India's plastics consumption to new levels in coming years.

Products Launched by PEARL Polymers Limited

S.No.	Product Details	Product Size
BOTTLES		
1.	Zorro	1 Ltr
2.	Vini	1 Ltr
3	Orchid	1 Ltr & 500 ml
4.	Apple	1 Ltr & 500 ml
5.	Zed Bottle with Fliptop Cap	1 Ltr
6.	Elli Round Bottle	1 Ltr
7.	Square Bottle	1 Ltr
JARS		
1.	Aspire Jar Range - Square Jar with Glossy Metal cap	400 gm to 3000 gm

OPPORTUNITIES AND THREAT
a) Opportunities

India is projected to be the fastest growing market in Asia-Pacific region. With the Indian economy booming, the demand for plastic across sectors is steadily increasing and opening up new opportunities for the nation. By 2020, plastics consumption in India is set to increase from the current 12 million metric ton per annum (MMTA) to 20 MMTA and will deploy nearly 180,000 machines, by 2020 thus increasing direct and indirect employment from 1.2 million to 2 million.

With more than 40% of packaging needs catered by plastics in India, the domestic market is third largest consumer of polymers and a growth in plastic demand is expected to boost the consumption further. Besides FMCG sector, growth is also driven by growing construction industry and adoption of advanced coating, ceiling and polymer-based reinforcing material in construction as well as plastics, paints and coatings for the automotive segment.

In the era of globalization, it would be a challenge for the Indian Packaging Industry as the years ahead would witness its integration with global channels, thus to match the international standards and quality. It is therefore, necessary that the Indian Packaging Industry upgrades its infrastructure and invests more in research to have holistic approach towards packaging that would go beyond functional aspects of packaging. The industry has tremendous potential in coming years and would also see exponential growth of more than 12-15% annually.

Challenges

Government of India, in the 2016 budget, has permitted 100% Foreign Direct Investment in food processing which is positive for the packaging industry. Through policy interventions, food safety and standards enactment and increasing levels of promotional efforts across India, the Ministry of Food Processing, Government of India has been continuously encouraging the growth of the processed foods industry. The packaging industry is primarily dependent on growth from the food and beverage industry. Proper

implementation of Food Safety and Standards Act will promote the use of good quality of Plastic in packaging.

The rapid growth in modern retail coupled with changing demographic profile (young, affluent and environment conscious consumers, nuclear families) will drive growth in the Indian packaging industry. Besides, global concerns over climate change are providing impetus to the Plastic Packaging Industry by drawing focus on the need for sustainable and eco-friendly packaging. The PET processing industry is facing various regulatory issues particularly regarding pharmaceuticals and liquor industries in some states. These matters are being represented by the Industry Associations and other various Technical Bodies and hopes to be resolved soon.

Further in order to ensure sustainable and successful business models, there is a need of diversification in client portfolio and product suite that is to be undertaken by packaging companies. Focus on product innovation, quality standards, timely delivery and proximity to end-users is also crucial.

"Industry body All India Plastics Manufacturers Association forecasted that Eastern India would soon emerge as the next growth hub for the Plastics Sector".

Threats
a) Prices of Crude Oil

Availability of raw material is a major challenge. For e.g. Crude is the feedstock required for these products and India is relying on heavy imports of crude to meet its requirements. Also, volatility in the prices of crude oil and exchange rate has led to increase in price pressure and lower profits in spite of high volume realizations. The plastic packaging industry primarily driven by the consumer goods sector often faces the issue of low margins, as most of the end products are coming from the imported raw materials and hence profit margins are highly dependent on import prices.

b) High Input Cost

With the ever expanding population, growing needs for electricity has led to unreliable power and high energy costs and labor costs in India. When comparing with other countries, these constraints hamper the capacity utilization. There is a growing need to shift to the renewable energy sources Domestic competition is intensifying with existing players consolidating and fresh capacities being also planned. This will lead to reduction in margins in years to come unless consumption of plastic increases substantially in India.

Developments in alternate packaging medium will continue to pose a threat to the plastic packaging industry.

c) Environmental Concern

Apart from playing an increasing role in packaging and consumer products plastics also take up a growing percentage of municipal solid waste streams and pose environmental challenges. They are considered to be a major threat to environment and public health. Improper disposal of plastics clog the water bodies, it leads to ground water pollution, disturbance of soil microbe activity, release of poisonous chemicals thereby harming the human health and the entire ecosystem.

These adverse impacts therefore alarm the society to ensure proper disposal of plastic. Going ahead recycling & reuse of plastics could be a foremost step towards fostering innovation and sustainability. If plastics can be collected and disposed of or recycled as per laid down guidelines/rules then the issue of plastic waste can be suitably addressed. Also increased awareness through help of industry groups and Government could help in addressing some of these challenges.

Risks & Concerns

Risk is an integral part of business. Risk can be broadly categorized into two broad categories: one Risk Associated at the Transactional Level and the other Risk Associated at the Decision Making Level. Risk Associated at operational level can arise out of operations, financial dealings and / or compliances of legal system. The Company has appropriate control mechanism and operating effectiveness of Financial Controls & Legal Compliance System.

Risk Associated at the Decision Making levels are political, social & economic, technology, capital structure, foreign exchange & interest rate etc. These risk are evaluated in detail before taking any strategic & financial decision.

The Company has adopted a Risk Management Policy (Policy) which lays down Company's approach towards risk

mitigation, its risk management objectives and defines the risk management framework of the organization. This Policy aims to detail the objectives and principles of risk management along with an overview of the process and related roles and responsibilities.

The Audit Committee as well as the Board of Directors of the Company periodically reviews the risk assessment and risk minimization procedure to ensure that management controls risk in adherence to the Policy. Reports containing details of risks along with mitigation plans are also periodically presented to the Audit Committee and the Board of Directors.

Future Outlook

The unfolding economic and industrial scenario in India and the world will influence the company's performance in the coming period. Some pick-up in investment is expected in both public and private sectors, as the impact of measures taken by the Government towards declogging the projects in pipe line. Lot of expectations are built on next year as the market is hoping that the Government will be able to work towards achieving political consensus and push critical reforms and drive simplification of procedures, transparent and flexible tax system. The Company will continue to pursue growth based on its philosophy of generating profits through creation of the "Greatest Value" for its customers. Pearl Polymers Limited has reviewed its strategic objectives and is geared to tap new opportunities in the marketplace and develop innovative solutions for its customers. Its focus will remain on strategic growth initiatives for business expansion and sector penetration.

Going forward, implementation of policy measures already announced, structural reforms and government investment in infrastructure will be critical to India's economy. Progress on Goods and Services Tax bill and its implementation, which is expected to ease supply chain and simplify taxation, will be an added advantage.

Cautionary Statement

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations.

For and on behalf of the Board of Directors

Chand Seth

Place: New Delhi Chairman & Managing Director

Date : August 11, 2016 DIN No: 00002944

**Auditors' Certificate on Corporate Governance****To****The Board 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 on March 31, 2016, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the 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 Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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)

Naresh Khanna**Partner****Membership No: 081482****Date: 9 August, 2016****Place: New Delhi**



Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on March 31, 2016

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

I. REGISTRATION & OTHER DETAILS:

S 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 & contact details of the Registrar & Transfer Agent	M/S. MAS SERVICES LIMITED T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi -110020 Ph: 011-26387281/82/83 Fax: 011-26387384 Email: mas_serv@yahoo.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated : Not Applicable

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 1 April, 2015]				No. of Shares held at the End of the year [As on 31 March, 2016]			
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares
A. Promoters								
(1) Indian								
a) Individual/ HUF	3452638	0	3452638	20.51	3452637	0	3452637	20.51
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.	5614203	0	5614203	33.35	5614203	0	5614203	33.35
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):	9066841	0	9066841	53.86	9066840	0	9066840	53.86
(2) Foreign								
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

d) Banks/ FI	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0
Sub-Total (A)(2)	0	0	0	0	0	00	0	
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	9066841	0	9066841	53.86	9066840	0	9066840	53.86
B. Public Shareholding								
1) Institutions								
a) Mutual Funds	0	5410	5410	0.03	0	5410	5410	0.03
b) Banks / FI	300	160	460	0.01	300	160	460	0.01
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	670162	0	670162	3.98	640582	0	640582	3.81
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
Sub-total (B)(1):-	670462	14270	684732	4.07	640882	14270	655152	3.89
2) Non-Institutions								
a) Bodies Corporate								
i) Indian	1756958	22551	1779509	10.57	2020254	22551	2042805	12.13
ii) Overseas	0	0	0	0	0	0	0	0
b) Individuals								
i) Individual shareholders holding nominal share capital up to Rs. 1 lakhs.	1309595	832346	2141941	12.72	1292140	822356	2114496	12.56
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakhs.	2776302	94550	2870852	17.05	2582706	94550	2677256	15.90
c) Others (specify)	0	0	0	0	0	0	0	0
Non Resident Indians/ Overseas Corporate Bodies	21833	203600	225433	1.34	20596	203600	224196	1.34
Foreign Nationals	0	0	0	0	0	0	0	0
Clearing Members	65624	0	65624	0.39	54187	0	54187	0.32
Trusts	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	5930312	1153047	7083359	42.07	5969883	1143057	7112940	42.25
Total Public Shareholding (B)=(B)(1)+(B)(2)	6600774	1167317	7768091	46.14	6610765	1157327	7768092	46.14
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	15667615	1167317	16834932	100.00	15677605	1157327	16834932	100.00

b) Shareholding of Promoter (including Promoter Group)

S. No.	Shareholder's Name	No. of Shares held						% change in shareholding during the year
		Beginning of the year (April 1, 2015)			End of the year (March 31, 2016)			
		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	774939	4.60	0	0
2	Mr. Chand Seth	890475	5.29	0	890475	5.29	0	0
3	Ms. Nidhi Chowdhary	90000	0.54	0	90000	0.54	0	0
4	Mr. Varun Seth	597778	3.55	0	597778	3.55	0	0
5	Ms. Rachna Seth	27700	0.16	0	27700	0.16	0	0
6	Ms. Surina Seth	10105	0.06	0	10105	0.06	0	0
7	Ms. Tavanya Seth	10105	0.06	0	10105	0.06	0	0
8	Mr. Amit Seth	562000	3.34	0	562000	3.34	0	0
9	Mr. Udit Seth	489535	2.91	0	489535	2.91	0	0
10	Ms. Madhu Seth	1	0.00	0	0	0.00	0	0
11	Pacific Pearl Finance & Leasing Ltd	1116001	6.63	0	1116001	6.63	0	0
12	Pearl Telefonics Limited	2280347	13.55	0	2280347	13.55	0	0
13	Theta Investments Pvt Ltd	2063855	12.26	0	2063855	12.26	0	0
14	Pearl Flats (India) Limited	154000	0.91	0	154000	0.91	0	0

c) Change In Promoter's Shareholding

Name of the Promoter	Shareholding at the beginning of the Year (April 1, 2015)		Cumulative Shareholding during the year (April 1, 2015 to March 31, 2016)		% Change in Shareholding during the year
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
Ms. Suneeta Seth	774939	4.60	774939	4.60	Nil
Mr. Chand Seth	890475	5.29	890475	5.29	Nil
Ms. Nidhi Chowdhary	90000	0.54	90000	0.54	Nil
Mr. Varun Seth	597778	3.55	597778	3.55	Nil
Ms. Rachna Seth	27700	0.16	27700	0.16	Nil
Ms. Surina Seth	10105	0.06	10105	0.06	Nil
Ms. Tavanya Seth	10105	0.06	10105	0.06	Nil
Mr. Amit Seth	562000	3.34	562000	3.34	Nil
Mr. Udit Seth	489535	2.91	489535	2.91	Nil
Ms. Madhu Seth	1	0.00	0	0.00	0.00
Pacific Pearl Finance & Leasing Ltd	1116001	6.63	1116001	6.63	Nil
Pearl Telefonics Ltd	2280347	13.55	2280347	13.55	Nil
Theta Investments Pvt. Ltd	2063855	12.26	2063855	12.26	Nil
Pearl Flats (India) Limited	154000	0.91	154000	0.91	Nil

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

Name of the Shareholder	Shareholding at the Beginning of the Year (April 1, 2015)		Cumulative Shareholding during the year (April 1, 2015 to March 31, 2016)		% Change in Shareholding during the year
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
Ashari Agencies Ltd.	690151	4.10	950737	5.65	1.55
Life Insurance Corportation of India	655012	3.89	625432	3.72	(0.17)
Chainroop Surajmal Dugar	429101	2.55	493547	2.93	0.38
Delhi Iron and Steel Co Pvt Ltd	466335	2.77	445127	2.64	(0.13)
Reena Khandelwal	344000	2.04	344000	2.04	0.00
Vijay Kumar Aggarwal	602863	3.58	332996	1.98	(1.60)
Deepak Seth	324000	1.93	324000	1.93	0.00
Namrata Khandelwal	300000	1.78	300000	1.78	0.00
Sanchay Fincom Ltd	107404	0.64	147954	0.88	0.24
Taruna Seth	175984	1.05	88194	0.52	(0.53)

e) Shareholding of Directors and Key Managerial Personnel:

S.No.	Name of the Shareholder	Shareholding at the beginning of the Year (April 1, 2015)		Cumulative Shareholding during the year (April 1, 2015 to March 31, 2016)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
Directors and Key Managerial Personnel					
1	Mr. Chand Seth	890475	5.29	890475	5.29
2	Mr. Varun Seth	597778	3.55	597778	3.55
3	Mr. Ramesh Mehra	0	0	0	0
4	Ms. Meera Johri	0	0	0	0
5	Mr. Ravi Kumar Mehra	0	0	0	0
6	Mr. Ashish Harish Bhuva	0	0	0	0
7	Mr. Rajesh Mehra	0	0	0	0
8	Ms. Shilpa Verma	0	0	0	0

V. INDEBTEDNESS

(In Rupees)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	293671196	29780357	356000	323807553
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	1065997	0	0	1065997
Total (i+ii+iii)	294737193	29780357	356000	324873550
Change in Indebtedness during the financial year				
Addition	65551507	0	0	65551507
Reduction	89370761	6359069	0	95729830
Net Change	(23819254)	(6359069)	0	(30178323)
Indebtedness at the end of the financial year				
i) Principal Amount	269926424	23421288	356000	293703712
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	991514	0	0	991514
Total (i+ii+iii)	270917938	23421288	356000	294695226

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. In Lakhs)

S. 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	Gross salary			
a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	32.40	32.62	13.80
b)	Value of perquisites u/s 17(2) by the Income-tax Act, 1961	21.60	6.76	0
c)	Profits in lieu of salary under section 17(3) of Income- tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	*Total (A)	54.00	39.38	13.80
	Ceiling as per the Companies Act, 2013	54.00	42.00	18.00

b) Remuneration to Non Executive and Independent Directors

(Rs. In Lakhs)

S. No.	Particulars of Remuneration	Name of the Independent Director			Total
		Ms. Meera Johri	Mr. Ravi Kumar Mehra	Mr. Ashish Harish Bhuvra	
		Independent Director	Independent Director	Independent Director	
a)	Fees for attending Board Committee Meetings	0.20	0.20	0.05	0.45
b)	Commission	0	0	0	0
c)	Others, Please specify	0	0	0	0

c) Remuneration to Key Managerial Personnel other than MD/Manager/WTB

(Rs. In Lakhs)

S. No.	Particulars of Remuneration	Key Managerial Personnel	
		Ms. Shilpa Verma	Mr. Rajesh Mehra
		Company Secretary	(CFO)
1	Gross Salary		
a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3.40	13.77
b)	Value of perquisites u/s 17(2) of Income-tax Act, 1961	0	0.22
c)	Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
5	Others, please specify	-	-
	Total	3.40	13.99

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES :
Not Applicable

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

A. CONSERVATION OF ENERGY
1. Steps taken or impact on Conservation of Energy

Energy efficiency is the key to profitability in the present era of tough competition & very high energy cost. In view of the above energy conservation is given top priority at all our production establishments & offices. In continuation of our sincere efforts in the direction of making our production facilities more energy efficient, following steps have been taken during review year.

- Air Usage efficiency has been improved by process leading to cost reduction.
- To reduce dependency of our operations on manpower & to carry out packaging operations on machines with utmost care and accuracy, automation has been successfully implemented on a few lines. The same is being planned to implement across the company.
- One technically advanced injection moulding machine has been installed at our Baddi unit for production of specialty caps, this machine provides best in class energy efficiency.
- For monitoring status of HT transformers, Transformer sensing system has been installed at Pantnagar unit. This system keeps a strict watch on parameters like kW, kWh, power factor transformer losses, maximum demand etc and with its help, effective monitoring of power transformers will be possible.
- After success of our experiments in the direction of using Recyclable outer cartons, we are planning to extend their usage with other clients also.

2. Steps taken by the Company for utilising alternate Sources of Energy

We are eyeing on utilization of Solar Power for our factories & offices. We have done multiple rounds of talks with the parties involved in the supply of equipments required for taping solar energy for our Pantnagar & Baddi units.

3. The Capital Investment on Energy Conservation equipments: Nil
B. TECHNOLOGY ABSORPTION-
1. Efforts made towards technology absorption

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. Recently we have launched a series of Air tight Microwave safe Tiffin containers, which received a warm response from the market.

2. Benefits derived like product improvement, cost reduction, product development or import substitution

As a result of above mentioned efforts we successfully managed to keep impact of power tariff & manpower cost hike to a minimum on our operation costs.

Over-all quality of our Products & productivity has improved significantly by adopting above mentioned measures. We strongly believe that these steps will certainly improve our brand image as well as customer's satisfaction levels.

3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- Not Applicable
C. FOREIGN EXCHANGE EARNING AND OUTGO

The details of Foreign Exchange Earnings and Outgo for the financial year 2015-16 are as following

PARTICULARS	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
Foreign Exchange Earning (FOB Basis)		
Export of Finished Goods	4.48	19.85
Export of Capital Goods	-	-
Raw Material	605.45	2840.02
Capital Goods	16.62	271.49
Traded Goods	16.27	-
Travelling and Others	1.07	5.43



Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2016

[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]

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 09.02.2016 to conduct Secretarial Audit on compulsory basis for the financial year of the Company ended on 31st March, 2016.

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.

I believe that audit evidence and information obtained from the Company's management is adequate and appropriate for me to provide a basis for my opinion.

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 31.03.2016, 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, 2016 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) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto 14th May) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective from 15th May, 2015);
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; *(not applicable since there is no action/ event in pursuance of said regulation)*
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; *(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; *(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)* and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; *(not applicable since there is no action/ event in pursuance of said regulation)*

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) Contract Labour (R&A) Act, 1970
- (vii) Packaged Commodity Rules, 1977
- (viii) Air (Prevention and control of pollution) Act, 1981
- (ix) Water (Prevention and control of pollution) Act, 1974
- (x) Environment protection Act, 1986
- (xi) Factories Act, 1948
- (xii) Minimum Wages Act, 1948
- (xiii) The Legal Metrology Act, 2009
- (xiv) Trade Mark Act, 1999
- (xv) Design Act, 2000

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. *(Applicable as notified w.e.f. 01st July, 2015).*
- (ii) The Listing Agreements entered into by the Company with the Stock Exchanges namely National Stock Exchange of India Limited (Scrip Code: PEARLPOLY) and the BSE Limited (Scrip Code: 523260) and Provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015. *(Applicable as notified w.e.f. 1st December, 2015).*

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned herein except for *Form MGT-14 for approval of accounts.*

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 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 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, there are no 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: 08.08.2016

For Rashmi Sahni

ACS/FCS No. 25681

C P No.: 10493



Annexure A

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. We 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.

Date: 08.08.2016

Place: New Delhi

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

REPORT ON CORPORATE GOVERNANCE

This Report has been prepared and presented in compliance of the conditions of Corporate Governance laid down in Securities and Exchange Board of India (SEBI) under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter in this Report referred to as "SEBI (LODR) Regulations, 2015") and Clause 49 of the erstwhile Listing Agreement.

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Pearl Polymers strives to adopt the highest standards of excellence in Corporate Governance. The Company has consistently practised good Corporate Governance norms for the efficient conduct of its business and meeting its obligations towards all its stakeholders viz., the shareholders, customers, employees and the community in which the Company operates.

The Company has established procedures and systems to be fully compliant with the requirements stipulated by Clause 49 of the erstwhile Listing Agreement and the SEBI (LODR) Regulations, 2015 which came into effect from 1 December, 2015. The broad principles in relation to disclosures and obligations have been implemented in a manner so as to achieve the objectives of Corporate Governance.

The Company's Corporate Governance philosophy is reflected in the following key areas of the Company's approach towards its Business and Stakeholders:

BOARD OF DIRECTORS

The Board plays an important role in overseeing how the management safeguards the interests of all Stakeholders' and entrusted with the task of managing the Company directly or through delegation of authority to executive management which provides the Board detailed reports on its performance periodically. The Board of Directors comprises of members having distinguished experience in various fields such as management, finance, technology and strategic planning, with considerable professional expertise and experience in Business and Industry.

i) Composition

As on 31 March 2016, the Board of the Company consists of Six Directors, of whom three were Executive and other three were Non-Executive Independent Director (including one Woman Director). The Board has an executive Chairman.

According to Regulation 17(1) (b) of the SEBI (LODR) Regulations, 2015 as well as the Companies Act, 2013, where the Chairperson is executive or a promoter, at least one half of the Board of the Company should consist of Independent Directors and this provision is met at Pearl Polymers Ltd.

ii) Other provisions related to Board and Committees

The Company Secretary circulates the agenda papers and supporting documents well in advance before the respective Board and Committee Meeting. The Board and Audit Committee meet at least four times on quarterly basis in a year to review the quarterly financial statements and meets on need basis on other matters. The Nomination & Remuneration Committee of the Board meets as and when required.

The gap between two board meetings does not exceed more than 120 days. The leave of absence 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 Regulation 17 (7) of SEBI (LODR) Regulations, 2015 for their discussion and consideration.

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 Chairman 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 held by them in other listed entities.

All the Directors of the Company are compliant with the applicable provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015 with respect to their number of Directorship in other Companies and Chairmanship/Membership on various Committees.

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

Name of the Director	Number of Other Directorships ¹	Number of other Committee positions held ²	
		Member	Chairperson
Executive Director			
Mr. Chand Seth Chairman & Managing Director	5	1	-
Mr. Varun Seth Whole Time Director	3	1	-
Mr. Ramesh Mehra Whole Time Director	4	4	-
Non-Executive Independent Director			
Ms. Meera Johri	1	1	1
Mr. Ravi Kumar Mehra	1	1	1
Mr. Ashish Harish Bhuva	2	-	-

1. Directorship held by Directors as mentioned above, includes directorship in Pearl Polymers Limited. Private Limited Companies, Foreign Companies and Section 8 Companies are not included.
2. As per Regulation 26 of the SEBI (LODR) Regulations, 2015, Committees considered to reckon the limit are Audit Committee and Stakeholders Relationship Committee in Public (Listed and Unlisted) Companies, including Pearl Polymers Limited.
3. None of the Directors is inter se related to any other Director on the Board, except Mr. Chand Seth and Mr. Varun Seth, who are related to each other.

iii) Board Meetings

The Company holds minimum four pre-scheduled Board meetings annually, one in each quarter, inter-alia, to review the financial results of the Company. The maximum time gap between two Board meetings is not more than 120 days. In case, of urgency or business exigencies, matters are also approved by way of circular resolution as per the provisions of Companies Act, 2013 and subsequently noted at the next Board meeting.

During the current financial year, Four Board meetings were held. The details of the Board Meetings along with the attendance of each Director at the respective Board Meeting and last AGM are tabled below:

Name of the Director	Attendance at the Board Meetings held on				Attendance at Last 44 th AGM 30 September, 2015
	27 May, 2015	12 August, 2015	9 November, 2015	9 February, 2016	
Mr. Chand Seth	Yes	Yes	Yes	Yes	Yes
Mr. Varun Seth	Yes	Yes	Yes	Yes	No
Mr. Ramesh Mehra	Leave of Absence	Leave of Absence	Yes	Leave of Absence	No
Ms. Meera Johri	Yes	Yes	Yes	Yes	No
Mr. Ravi Kumar Mehra	Yes	Yes	Yes	Yes	Yes
Mr. Ashish Harish Bhuva	Leave of Absence	Yes	Leave of Absence	Leave of Absence	No

iv) 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.

v) Separate meetings of the Independent Director

The Independent Directors held a Meeting on 12 August, 2015 without the attendance of Non-Independent Directors and members of Management. All Independent Directors were present at such meeting. At the Meeting, they –

- i. Reviewed the performance of Non-Independent Directors and the Board as a whole;
- ii. Reviewed the performance of the Chairperson of the Company, taking into account the views of Managing Director and Non-Executive Directors.

- iii. Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors hold a unanimous opinion that the Non-Independent Directors are Senior Business Managers with decades of experience in their business. Their knowledge and experience was found extremely useful for the Company. They are highly knowledgeable both on product manufacturing and operations of Pearl Polymers Limited and found them to be very competent, experienced, engaging, committed and participative. They have demonstrated their good listening skills and have been found to be logical, cogent, convincing and good observant.

The Directors have a well-coordinated, harmonious working relationship. All Directors are professional, they add value, contribute meaningfully and openly share their views and contribute to the high quality of discussions at meetings, with a view to continually probing avenues for sustainable growth. The Chairperson provides effective leadership to the Board encourages active engagement, participation and discussion by all Members and communicates effectively. He is seen to be meticulous, caring and well prepared for the Meetings. He is an active listener and provides meaningful contribution to the development of strategy.

The information provided by the Company's Management is complete, of high quality and furnished with full disclosure in a professional and timely manner.

vi) Familiarization Programme

Whenever any person joins the Board of the Company as an Independent Director, an induction programme is arranged for him / her wherein he / she is familiarised with the Company, their roles, rights and responsibilities in the Company, the Code of Conduct to be adhered to, nature of the industry in which the Company operates, business model of the Company, meeting with the senior management team, members, etc.

The details of such familiarisation programmes can be viewed on the Company's website at www.pearlpet.net

vii) Code of Conduct for the Board of Directors and Senior Management

The Company's Code of Conduct provides guidelines to be followed by all Members of the Board of Directors and Senior Management to ensure the highest standards of professional conduct. Members of the Board of Directors and Senior Management have affirmed compliance with the Code of Conduct for the year ended 31 March, 2016 on behalf of themselves and to the extent that they are aware, on behalf of all employees reporting to them.

A declaration signed by the Chairman & Managing Director of the Company to this effect is contained at the end of this report as Annexure-I. The said Code can be viewed on the Company's website at www.pearlpet.net

viii) Code of Conduct for Independent Directors

As per the provision of section 149(8) of the Companies Act, 2013 the Company and Independent Directors shall abide by the provision of Schedule IV of the Companies Act, 2013. Pursuant to the said provisions of the Companies Act, 2013 the Company has drafted a Code of Conduct for Independent Directors of the Company and the same has also been posted on the website of the Company.

COMMITTEES OF THE BOARD

Our Board has constituted sub-committees to focus on specific areas and make informed decisions within the authority delegated to each of the Committees. Each Committee of the Board is guided by its Charter, which defines the scope, powers and composition of the Committee. All decisions and recommendations of the Committees are placed before the Board for information or approval.

We have following Five Committees of the Board as at 31 March, 2016.

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

A) Mandatory Committees

i) Audit Committee

The role and terms of reference of the Audit Committee are in conformity with the provisions of section 177 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. 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.

Terms of Reference

Sections 177 of Companies Act, 2013, and the Regulation 18 of the SEBI (LODR) Regulations, 2015, have expanded the terms of reference of the Audit Committee. Accordingly, the term of reference for Audit Committee includes:

1. To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. To recommend to the Board, the appointment, remuneration and terms of appointment of auditors;
3. To approve the payment to statutory auditors for any other services rendered by them;
4. To review with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause(c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of any related party transactions.
 - g) Modified opinion(s) in the draft audit report
5. To review, with the management, the quarterly financial statements and Audit Report before submission to the board for approval;
6. To review with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. To review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. To approve or any subsequent modification of transactions of the listed entity with related parties;
9. To scrutinize inter-corporate loans and investments;
10. To evaluate undertakings or assets of the listed entity, wherever it is necessary;
11. To evaluate internal financial controls and risk management systems;
12. To review with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. To review the adequacy of internal audit department, function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. discussion with internal auditors of any significant findings and follow up there on;
15. To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. To discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. To approve the appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate.
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee;
21. Any other function as may be stipulated under the Companies Act, 2013, SEBI or any other regulatory authorities from time to time.

Composition

As on 31 March, 2016 the composition of the Audit Committee is as per the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015. Mr. Ravi Kumar Mehra, is a Chairperson of the Committee and Ms. Meera Johri and Mr. Varun Seth are the Members of the Committee.

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 Company holds minimum four pre-scheduled Audit Committee meetings in one financial year i.e. one in each quarter and the maximum time gap between two Audit Committee meetings is not more than 120 days complying with the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The necessary quorum was present for all the meetings

The composition and attendance record of the members of the Audit Committee for the FY 2015-16 are as follows:

Composition	Category	Audit Committee Meetings			
		27 May, 2015	12 August, 2015	9 November, 2015	9 February, 2016
Mr. Ravi Kumar Mehra (Chairman)	Non Executive & Independent	Yes	Yes	Yes	Yes
Ms. Meera Johri	Non Executive & Independent	Yes	Yes	Yes	Yes
Mr. Varun Seth	Executive	Yes	Yes	Yes	Yes

The Statutory Auditor and Internal Auditor are the permanent invitees to the meetings of the Committee wherein the financial statements/results are discussed. In addition to the representatives of the Statutory Auditors, Chief Financial Officer is also invited to attend the Audit Committee meetings. The Chairman of the Audit Committee was present at the last 44th Annual General Meeting of the Company.

ii) Stakeholders Relationship Committee

The Stakeholders' Relationship Committee shall act in accordance with the prescribed provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations, 2015. The Committee looks into the process of share transfers, grievances of security holders, if any, and also reviews the working of Company's Registrar & Share Transfer Agent.

Terms of Reference

The Terms of Reference of the Stakeholders' Relationship Committee is as follows:

1. To consider and resolve the grievances including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc. of the shareholders, debenture holders and other security holders of the Company.
2. To also oversee the performance of the Registrar & Share Transfer Agent (RTA) to ensure expeditious share transfer process
3. Any other function as may be stipulated by the Companies Act, 2013, SEBI, Stock Exchange or any other regulatory authorities from time to time.

Composition

The composition of the Stakeholders Relationship Committee is as per the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015. As on 31 March, 2016, the Stakeholders Relationship Committee comprised of Four (4) Members namely Ms. Meera Johri, Chairperson, Mr. Ravi Kumar Mehra, Mr. Chand Seth & Mr. Ramesh Mehra as Members. Ms. Shilpa Verma - Company Secretary acts as a Secretary to the Committee and is the Compliance Officer of the Company.

Meetings

During the year, the Committee met Four times on 27 May, 2015, 12 August, 2015, 9 November, 2015 and 9 February, 2016. The necessary quorum was present for all the meetings.

The details of the composition of the committee and attendance at the meeting are set out in the following table:

Composition	Category	Stakeholders' Relationship Committee			
		27 May, 2015	12 August, 2015	9 November, 2015	9 February, 2016
Ms. Meera Johri (Chairperson)	Non Executive & Independent	Yes	Yes	Yes	Yes
Mr. Ravi Kumar Mehra	Non Executive & Independent	Yes	Yes	Yes	Yes
Mr. Chand Seth	Executive	Yes	Yes	Yes	Yes
Mr. Ramesh Mehra	Executive	No	No	Yes	No

Details of Complaints received and Resolved during the Financial Year:

S. No.	Nature of Complaints	Complaints Received	Complaints Resolved	Complaints Pending
1.	Request for Change of Address	02	02	Nil
2.	Request for Duplicate shares/ Splitting/ Consolidation of share certificates	06	06	Nil
3.	Request for Dematerialization/ Rematerialization of shares	66	66	Nil
4.	Request for Share Transfer/Share Transmission	12	12	Nil
5.	Complaints from Stock Exchange/ SEBI/ Depositories	Nil	Nil	Nil
6.	Miscellaneous request including redemption of debentures, unclaimed dividend, Annual Reports etc.	21	21	Nil

Further, all the request for transfer of shares have also been processed in time and no transfer were pending for registration for more than 15 days as on 31 March, 2016. Ms. Shilpa Verma, Company Secretary has been designated as the "Compliance Officer" of the company in terms of Regulation 6 of SEBI (LODR) Regulations, 2015.

Share Transfer System

All valid share transfers are registered and duly transferred share certificates are dispatched within a period of 15 days from the date of receipt.

Investors' Service

The Company has a system of attending and redressing all investors' grievances/ correspondence within a period of 15 days from the date of receipt of the same.

No complaints/grievances are pending as on date.

iii) Nomination and Remuneration Committee

The Nomination and Remuneration Committee shall act in accordance with the prescribed provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015.

Terms of Reference

Terms of Reference of the Nomination and Remuneration Committee are as follows :

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;

4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.
5. Any other function as may be mandated by the Board or stipulated by the Companies Act, 2013, SEBI, Stock Exchanges or any other regulatory authorities from time to time.

Composition

As on 31 March, 2016, the composition of the Nomination and Remuneration Committee is as per the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015 namely Mr. Ravi Kumar Mehra, Chairman, Ms. Meera Johri, Mr. Ashish Harish Bhuva, are the Members. The Chairman of the Nomination and Remuneration Committee was present at the Forty Fourth (44th) Annual General Meeting of the Company.

Meetings

During the year, there was no appointment or increase in remuneration of any Director or Key Managerial Personnel, so the Committee did not convene any meeting. The composition of the members of the Committee is given herein below:

Composition	Category
Mr. Ravi Kumar Mehra (Chairman)	Non Executive & Independent Director
Ms. Meera Johri	Non Executive & Independent Director
Mr. Ashish Harish Bhuva	Non Executive & Independent Director

The Company Secretary acts as a Secretary to the committee.

Remuneration Policy

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and the SEBI(LODR) Regulations, 2015 the Board of Directors of the Company, based on the recommendation of the Nomination & Remuneration Committee has formulated a Policy for the Directors, Key Managerial Personnel and other Employees, the details of which forms part of the Directors Report. The Remuneration Policy can be viewed on the Company's website at www.pearlpolymer.net

Remuneration of Directors

a) Executive Director:

Details of the Remuneration paid to the Directors during the financial year ended on 31 March, 2016:
(Rs in Lakhs)

S. No.	Name of the Director	Salary and Allowances	Perquisite	Total
1.	Mr. Chand Seth	32.40	21.60	54.00
2.	Mr. Varun Seth	32.62	6.76	39.38
3.	Mr. Ramesh Mehra	13.80	-	13.80

b) Non Executive & Independent Director

Details of sitting fees paid to Non-Executive and Independent Director
(Rs in Lakhs)

S. No.	Name of the Director	Sitting Fees	Total
1.	Mr. Ravi Kumar Mehra	0.20	0.20
2.	Ms. Meera Johri	0.20	0.20
3.	Mr. Ashish Harish Bhuva	0.05	0.05

The sitting fees paid to Non Executive & Independent Director are within the limits as prescribed under the Companies Act, 2013. No remuneration other than the sitting fees for attending Board Meetings was paid to the Non-Executive Directors.

Performance Evaluation Criteria

During the year, the Board adopted a formal mechanism for evaluating its performance and effectiveness as well as that of its Committees and individual Directors, including the Chairman of the Board. For Board and its Committees, the exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. In case of evaluation of the individual Directors, one to one meeting of each Director with the Chairman of the Board and the Chairman of the Nomination & Remuneration Committee was held. The Directors were satisfied with the evaluation results, which reflected the overall engagement and effectiveness of the Board and its Committees.

B) Non Mandatory Committees

In addition to the above referred Committees which are mandatory under the Companies Act, 2013 SEBI (LODR) Regulations, 2015 and under SEBI Guidelines, the Board of Directors has constituted the following committees of Directors.

- i) Finance Committee
- ii) Risk Management Committee

i) 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.

Terms of reference

The terms of Finance Committee are as follows:

- a) To review / make banking arrangements and cash management.
- b) To approve short term and long term investments.
- c) To arrange on lease or hire purchase any asset for the purpose of the Company.
- d) To approve transfers/ transmission of shares.
- e) Allotment of shares and other financial transactions, within the limits specified by the board and to deal with any other matter as may be delegated to the committee by the Board from time to time.

Composition

The composition and the attendance thereof of the members of the Committee are given herein below:

Composition	Category
Mr. Chand Seth (Chairman)	Executive
Mr. Varun Seth	Executive
Mr. Ramesh Mehra	Executive

Meetings

During the Financial Year 2015-16, the Committee meets 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.

ii) Risk Management Committee

As per Regulation 21 of the SEBI (LODR) Regulations, 2015, formation of Risk Management is not applicable on our Company, but voluntarily we have constituted the Risk Management Committee.

Terms of Reference

The terms of Reference of the Risk Management Committee are as follows:

- i) to inform the Board members at least once a year about the risk assessment and minimization procedures;
- ii) to monitor and review the risk management plan; and
- iii) to perform other relevant functions in this connection.

Composition

The Composition of the Risk Management Committee is in compliance with the requirements of SEBI (LODR), Regulations 2015. The compositions of the members of the Committee are given herein below:

Composition	Category
Mr. Chand Seth (Chairman)	Executive
Mr. Varun Seth	Executive
Mr. Ravi Kumar Mehra	Non Executive & Independent Director

General Body Meetings

The last three Annual General meetings were held as under:

AGM No.	Financial Year	Location	Date and Time
42	2012-13	A-97/2, Okhla Industrial Area, Phase-II, New Delhi-110020	23 September, 2013 11:30 A.M.
43	2013-14	A-97/2, Okhla Industrial Area, Phase-II, New Delhi-110020	29 September, 2014 11:30 A.M.
44	2014-15	A-97/2, Okhla Industrial Area, Phase-II, New Delhi-110020	30 September, 2015 11:30 A.M.

Special Resolutions passed in the last three Annual General Meetings

The details of special resolution passed in the previous three Annual General Meetings are as mentioned below:

AGM No.	Financial Year	No. of Special Resolution(s) passed	Purpose
42	2012-13	One	Alteration in the Articles of Association of the Company.
43	2013-14	Three	a) Reappointment of Mr. Chand Seth as the Chairman & Managing Director and Remuneration payable to him. b) Alteration in the Articles of Association of the Company. c) Empowering Board of Directors to borrow u/s 180(1) (c) of the Companies Act, 2013.
44	2014-15	Nil	Nil

Extra-Ordinary General Meeting

No Extra-Ordinary General Meeting of the Shareholders was held during the financial year ended 31 March, 2016.

E-Voting Facility

The Company proposes to extend the facility for E-voting and Physical vote to the shareholders to exercise their voting rights on all resolutions that would come for consideration of the shareholders in the Annual General Meeting to be held in the current year (2016). The procedure for E-Voting and Physical Vote with respect to the ensuing Annual General Meeting will be the same as followed in the past.

Details of Postal Ballot

a) Special resolution passed last year through Postal Ballot

During the financial year 2015-16, the Company has conducted One (1) Postal Ballot in accordance with Section

110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and through Postal Ballot Four (4) Special Resolutions were passed.

The Company has provided its members with an e-voting facility through National Securities Depository Limited (NSDL), in accordance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI Listing Regulations, in order to enable them to exercise their voting rights by way of electronic means on the resolution(s) proposed through Postal Ballot(s).

Ms. Rashmi Sahini, Practicing Company Secretary was appointed as a Scrutinizer for scrutinizing voting (both physical and e-voting) in a fair and transparent manner.

The Board of Directors approved the Postal Ballot notice dated 22 December, 2015 containing the below mentioned special resolution for the approval of the Members, which was passed by the members with the requisite majority and the results thereof were announced on 25 January, 2016.

Name of the resolution	No. of Votes Polled	Votes cast in Favour		Votes cast Against	
		No. of Votes	%	No. of Votes	%
a) To create Charge or Mortgage on Assets of the Company upto Rs. 300 Crores	100,46,129	100,45,929	99.99	200	0.01
b) To give Loan/Guarantee or provide Security in connection with a Loan and to make investments in Securities.	100,46,129	100,45,929	99.99	200	0.01
c) To amend incidental or ancillary objects clause of the Memorandum of Association.	100,46,129	100,45,929	99.99	200	0.01
d) To delete other object clause of the Memorandum of Association	100,46,129	100,45,929	99.99	200	0.01

b) Special Resolution proposed to be conducted through Postal Ballot

No special resolution is proposed to be passed through Postal Ballot.

Disclosures:

Related Party Transactions

There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. The Company does not have any subsidiary or associate. Transactions with related parties are entered into by the Company in the normal course of business and at arm's length. The details of transactions are periodically placed before the Audit Committee for review and approval. Members may refer to the notes to the accounts for details of Related Party Transactions.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules framed thereunder including the SEBI (LODR) Regulations, 2015 and the erstwhile Listing Agreement. The policy has been placed on the website of the Company at www.pearlpolymer.net

Compliance with Regulations

The Company has complied with the requirements of the Regulatory Authorities on Capital Markets. Neither has there been any instances of non-compliance by the Company on any matters related to the capital markets, nor has any penalty or stricture been imposed on the Company by the Regulatory Authorities or any statutory authority, on any matter related to capital markets, during the last three years.

Disclosure of Accounting Treatment

The Company has followed the treatment laid down in the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in the preparation of financial statements. There are no audit qualifications in the Company's financial statements for the year under review.

Whistle-Blower Policy

In compliance with provisions of Section 177(9) of the Companies Act, 2013 and Regulation 4 of the SEBI (LODR) Regulations, 2015, Pearl Polymers Limited has put in place a system through which the Directors, employees and business associates may report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics without fear of reprisal. The Company has put in place a process by which employees and business associates have direct access to the Chairperson of the Audit Committee.

The Whistle-Blower Policy is placed on the website of the Company at www.pearlpoly.net

Insider Trading

The Company has adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information under the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, to inter alia, prevent insider trading in the shares of the Company.

CEO/CFO Certification

Mr. Chand Seth, Chairman & Managing Director and Mr. Rajesh Mehra, Chief Financial Officer, have furnished certificate pursuant to the Regulation 17(8) of SEBI (LODR), Regulations, 2015, 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 as Annexure-II and forms part of the Annual Report.

Details of compliance with mandatory requirements and adoption of Non-mandatory requirements

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

MEANS OF COMMUNICATION**Financial Results**

The Quarterly, Half-Yearly and Annual Financial Results are regularly submitted to the Stock Exchanges in accordance with the Regulation laid down therefore and the erstwhile Listing Agreement and are generally published in the Financial Express (English Language) and Hari Bhoomi (Hindi Language). The results are also posted on the Company's website 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 are posted through the filing system of the BSE Limited and NSE Electronic Application Processing System (NEAPS) portals.

Any price sensitive information and matters which are material and relevant to the Shareholders are intimated to the BSE Limited and the National Stock Exchange of India Limited, where the securities of the Company are listed.

GENERAL SHAREHOLDERS' INFORMATION**45th Annual General Meeting**

Date and Time	:	30 September, 2016 at 11:30 A.M.
Venue	:	A-97/2, Okhla Industrial Area, Phase-II, New Delhi-110020

Financial Calendar for the year 2016-2017 (Tentative and subject to change)

1st Quarterly Results	Up to 14 August, 2016
2nd Quarterly Results	Up to 14 November, 2016
3rd Quarterly Results	Up to 14 February, 2017
4th Quarterly Results	Up to 30 May, 2017 (Audited)

Date of Book Closure

24 September, 2016 to 30 September, 2016 (Both days inclusive)


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
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, 25 th Floor, Mumbai - 400 001	523260
National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor, Plot No. C/1, G.Block, Bandra-Kurla Complex, Bandra (E) Mumbai - 400 051	PEARLPOLY

Pursuant to the SEBI (LODR) Regulations, 2015, the Company has entered into a Uniform Listing agreement with BSE and NSE. Annual listing fees, as prescribed, have been paid to the said stock exchanges upto 31 March 2017.

International Securities Identification Number for the Company's Equity Shares : INE844A01013

Corporate Identification Number (CIN)

L25209DL1971PLC005535

Stock Market Data for Financial Year ended 31 March, 2016

The monthly high- low of the Share price of the Company:

Monthly/ Year	NSE			BSE		
	Share Price			Share Price		
	High	Low	Close	High	Low	Close
April'15	15.60	10.55	13.05	14.94	10.40	13.70
May'15	14.60	11.00	12.60	15.82	11.52	12.70
June'15	12.75	10.00	11.90	12.70	9.40	11.98
Jul'15	16.80	10.70	16.80	15.68	10.67	15.68
Aug'15	20.15	15.70	17.50	19.85	15.40	17.85
Sep'15	18.30	12.60	13.35	18.15	13.20	14.85
Oct'15	18.00	12.15	16.55	17.85	13.21	16.87
Nov'15	18.95	14.05	15.25	17.60	15.00	15.80
Dec'15	23.90	14.15	21.00	24.40	14.70	21.15
Jan'16	27.40	18.20	18.80	27.30	18.25	18.80
Feb'16	19.45	13.40	13.40	19.70	13.20	13.45
March'16	14.00	11.85	11.95	14.50	12.12	12.50

Distribution of shareholding as on 31 March, 2016

Shareholding of Nominal value (Rs.)	Shareholders		Share Amount		
	Number of Shareholder	% of total holding	Number of shares	Amount (Rs.)	% of Total
1 to 5000	9151	92.21	1220592	12205920	7.25
5001 to 10000	416	4.19	351568	3515680	2.08
10001 to 20000	150	1.51	225638	2256380	1.34
20001 to 30000	58	0.58	148774	1487740	0.88
30001 to 40000	17	0.17	60381	603810	0.36
40001 to 50000	27	0.27	126413	1264130	0.75
50001 to 100000	28	0.28	197924	1979240	1.18
100001 and above	77	0.78	14503642	145036420	86.15
Total	9924	100	16834932	168349320	100

Categories of shareholders as on 31 March, 2016

S.No.	Category	No. of Shares Held	Percentage Of Shareholding
1.	Promoters	9066840	53.86
2.	Mutual Fund and UTI	5410	0.03
3.	Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non-government Institutions)	641042	3.82
4.	Bodies Corporate	2042805	12.13
5.	Indian Public	4791752	28.46
6.	NRI/OCBs/FIIs	232896	1.38
7.	Clearing Member	54187	0.32
	TOTAL	16834932	100

Dematerialization of Shares

The shares of the Company are compulsorily traded in dematerialized form and are available for trading on both the Depository Systems in India – National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As on 31 March, 2016, a total of 15677605 equity shares of the Company, which forms 93.12% of the equity share capital, stand dematerialized.

Liquidity

Since Company's shares are listed on 31 March, 2016 on BSE Limited and National Stock Exchange of India Limited are compulsorily traded in dematerialized form, these shares enjoy enough liquidity in the market.

Registrar and Transfer Agent

In compliance of SEBI requirements, Mas Services Limited has been appointed as the Registrar and Share Transfer Agent of the Company who handles share transfer work in Physical as well as in Electronic Form and other related activities. The address of the RTA is as follows:

Mas Services Limited

T-34, 2nd Floor, Okhla Industrial Area,

Phase-II, New Delhi-110020,

Phone No.: 011-26387281-83,

Fax No.: 011-26387384,

Website: www.masserv.com, E-mail: info@masserv.com

Investors' correspondence may be addressed to:

Mr. N. K. Rastogi, Mas Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi –110020, Phone No. : 011-26387281-83, Fax No. : 011-26387384, website: www.masserv.com, E-mail: info@masserv.com

Plant Location

The Company's plants are located at:

a) Mahad

B-3/2/1, 2 & 3 MIDC Industrial Estate
Mahad Dist. Raigad, Maharashtra

c) Baddi

Khasra No. 512-513, Village-Sandholi
Baddi, Tehsil-Nalagarh, Dist. Solan (H.P.)

b) Jigani

13-A, Part-I, Jigani Industrial Area
Distt. Anekal, Bangalore, Karnatka

d) Pant Nagar

Plot No. 45, Sector-3,
Village Kalyanpur, Tehsil Kichha,
Distt. U.S., Nagar, IIE, Pant Nagar,
Uttaranchal

**Annexure-I****DECLARATION ON CODE OF CONDUCT**

As provided under the provisions of SEBI (LODR) Regulations, 2015, I hereby declare that the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31 March, 2016.

Date: 30 May, 2016
Place : New Delhi

Chand Seth
Chairman and Managing Director
DIN No: 00002944

Annexure-II**C.M.D & CFO Certification**

To
The Board of Directors
Pearl Polymers Limited

1. We have reviewed the financial statements and the cash flow statement of Pearl Polymers Limited for the financial year ended 31 March, 2016 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 may be misleading;
 - b) These statements present a true and fair view of the Company's affairs and are in compliance with current 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 in violation of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
 - a) Significant changes, if any, in the internal control over financial reporting during the year.
 - b) Significant changes, if any, in accounting policies made 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.

Yours sincerely,

Chand Seth
Chairman & Managing Director
DIN No: 00002944

Rajesh Mehra
Chief Financial Officer

Date: 30 May, 2016
Place : New Delhi

INDEPENDENT AUDITOR'S REPORT

To

THE MEMBERS OF

M/s PEARL POLYMERS LTD.

A-97/2, Industrial Area, Phase-II,

Okhla, New Delhi-110020

Dear Sir,

We have audited the accompanying financial statements of **M/S PEARL POLYMERS LTD. ("the Company")**, which comprise the Balance Sheet as at **March 31, 2016**, and the Statement of Profit and Loss for the year ended, Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An Audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statement.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2016.
- ii) In the case of Profit & Loss Account, of the Loss of the Company for the year ended on that date.
- iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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 Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
- c) The Balance Sheet, Statement of Profit and Loss, and cash flow statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Act which continue to be applicable in respect of Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on March 31, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, 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 B"; and
- 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 33 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 amount required to be transferred to the Investor Education and Protection Fund by the company.

Place: New Delhi

Date: 30.05.2016

For Sehgal Mehta & Co.

Chartered Accountants

FRN-003330N

(CA Naresh Khanna)

Partner

M.No. 081482

Annexure -A 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 2016, we report that:

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, all the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held 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 31st March, 2016 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:-

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	370.59	March 1997 to June 1997	Supreme Court of India
The Central Excise Act, 1944	Interest on differential duty paid in respect of supplementary invoices	0.40	January 2001 to April 2003	CESTAT



The Central Excise Act, 1944	Disallowance of Cenvat Credit on the supply of pet chips	5.14	July 2004 to August 2004	Commissioner of Customs & Central Excise (Appeals), Mumbai III
The Central Excise Act, 1944	Service Tax demand on transportation- Abatement not allowed	0.04	Jnauray 2005 to March 2005	Assistant Commissioner of Central Excise CBD Belapur.
The Central Excise Act, 1944	Interest demand on reversed cenvat credit pointed out in EA 2000 Audit.	0.21	2014-2015	Assistant Commissioner of Central Excise Mumbai
The Central Excise Act, 1944	Interest on late payment of duty pointed out in EA 2000 Audit.	0.61	2014-2015	Assistant Commissioner of Central Excise Mumbai
The Sales Tax Act	Sales tax assessment VAT demand	102.67	2005-2006	Appeal Commissioner of Sales Tax
The Sales Tax Act	Sales tax assessment CST demand	123.84	2005-2006	Appeal Commissioner of Sales Tax
The Sales Tax Act	Sales tax assessment CST demand	11.85	2008-2009	Appeal Commissioner of Sales Tax
The Sales Tax Act	Exemption given for business expansion under FAVC is not supported by 'C' Forms	9.88	2002-03	Dt. Commissioner of Commercial Taxes, Bangalore
The Central Excise Act, 1944	Demand raised on wrong computation of assessable value	4.41	April'06-Dec'09	CESTAT, Bangalore
The Income Tax Act, 1961	Demand u/s 271(1)(c)	3.74	AY 2009-10	Appeal pending before CIT(A), Delhi
The Income Tax Act, 1961	Demand u/s 143(3)	17.49	AY 2010-11	Appeal pending before ITAT
The Income Tax Act, 1961	Demand u/s 143(3)	44.12	AY 2011-12	Rectification filled before Assessing Officer, Delhi
The Income Tax Act, 1961	Demand u/s 271(1)	1.29	AY 2011-12	Appeal pending before CIT(A) Delhi

- 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.

Place: New Delhi
Date: 30.05.2016

For Sehgal Mehta & Co.
Chartered Accountants
FRN-003330N
(CA Naresh Khanna)
Partner
M.No. 081482

Annexure - B to the Auditors' Report**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 March 2016 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 Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

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.

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 2016, 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.

Place: New Delhi
Date: 30.05.2016

For Sehgal Mehta & Co.
Chartered Accountants
FRN-003330N
(CA Naresh Khanna)
Partner
M.No. 081482



BALANCE SHEET AS AT MARCH 31, 2016

PARTICULARS	Note No.	As at March 31, 2016 (Rs. in lakhs)	As at March 31, 2015 (Rs. in lakhs)
I EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share Capital	2	1,682.69	1,682.69
(b) Reserve and Surplus	3	3,602.12	3,555.73
		5,284.81	5,238.42
Non-current liabilities			
(a) Long-term borrowings	4	685.26	287.13
(b) Deferred tax liabilities (Net)	5	395.30	480.91
(c) Other Long-term liabilities	6	202.79	529.65
(d) Long-term provisions	7	349.39	343.91
		1,632.74	1,641.60
Current liabilities			
(a) Short-term borrowings	8	1,948.62	2,405.49
(b) Trade payables	9	2,549.14	2,980.11
(c) Other current liabilities	10	894.46	969.82
(d) Short-term provisions	11	57.40	64.28
		5,449.62	6,419.70
TOTAL		12,367.17	13,299.72
II ASSETS			
Non-current assets			
(a) Fixed assets			
(i) Tangible assets	12(i)	5276.19	5665.29
(ii) Intangible assets	12(ii)	4.45	0.98
(iii) Capital work-in-progress	12(iii)	-	0.16
		5280.64	5666.43
(b) Non-current investments	13	209.57	222.33
(c) Long-term loans and advances	14	223.04	229.99
(d) Other non-current assets	15	9.88	19.24
		442.49	471.56
Current assets			
(a) Inventories	16	2,177.55	2,293.83
(b) Trade receivables	17	3,690.37	4,080.31
(c) Cash and bank balances	18	317.16	324.29
(d) Short-term loans and advances	19	226.33	299.34
(e) Other current assets	20	232.63	163.96
		6,644.04	7,161.73
TOTAL		12,367.17	13,299.72

Significant Accounting Policies

1

The accompanying notes are an integral part of the financial statements

As per our report of even date

2-50

On Behalf of the Board

For Sehgal Mehta & Co
CHARTERED ACCOUNTANTS
(FRN No.003330N)

CHAND SETH
Chairman & Managing Director
DIN-00002944
Place: Mumbai
Date : May 30, 2016

VARUN SETH
Whole-Time Director
DIN-00017552
Place: Mumbai
Date : May 30, 2016

NARESH KHANNA
Partner
Membership No. 081482
Place: New Delhi
Date : May 30, 2016

RAJESH MEHRA
Chief Financial Officer
Place: New Delhi
Date : May 30, 2016

SHILPA VERMA
Company Secretary
Place: New Delhi
Date : May 30, 2016


STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

PARTICULARS	Note No.	For the year ended March 31, 2016 (Rs. in lakhs)	For the year ended March 31, 2015 (Rs. in lakhs)
Income			
Revenue from operations (gross)		18647.42	20881.23
Less: Excise duty		953.63	1023.07
Revenue from operations (net)	21	17693.79	19,858.16
Other income	22	110.28	309.71
Total Revenue (I)		17804.07	20,167.87
Expenses			
Cost of materials consumed	23	9900.96	12,418.15
Purchase of traded goods	24	57.80	429.03
Changes in inventories of Finished Goods, Stock in Process and Stock in Trade	25	171.21	177.39
Employees benefits expense	26	1582.61	1,617.29
Other expenses	27	4929.60	4,436.45
Prior period adjustments	28	8.25	6.04
Total Expenses (II)		16650.43	19,084.35
Earnings before interest, tax, depreciation, amortization and exceptional items (EBITDA) [I-II]		1153.64	1,083.52
Depreciation and amortization expense	29	653.97	652.75
Finance costs	30	538.88	621.99
Profit/(loss) before tax		(39.21)	(191.22)
Tax Expense			
(1) Current tax		-	-
(2) Deferred tax		(85.61)	59.43
Total tax expense		(85.61)	59.43
Profit/(loss) for the year		46.40	(250.65)
Earning per equity share of face value of Rs. 10/- each	31		
Basic		0.28	(1.49)
Diluted		0.28	(1.49)

Significant Accounting Policies

The accompanying notes are an integral part of the financial statements
As per our report of even date

1
2-50
On Behalf of the Board

For Sehgal Mehta & Co
CHARTERED ACCOUNTANTS
(FRN No.003330N)

CHAND SETH
Chairman & Managing Director
DIN-00002944
Place: Mumbai
Date : May 30, 2016

VARUN SETH
Whole-Time Director
DIN-00017552
Place: Mumbai
Date : May 30, 2016

NARESH KHANNA
Partner
Membership No. 081482
Place: New Delhi
Date : May 30, 2016

RAJESH MEHRA
Chief Financial Officer
Place: New Delhi
Date : May 30, 2016

SHILPA VERMA
Company Secretary
Place: New Delhi
Date : May 30, 2016


CASH FLOW STATEMENT FOR THE YEAR ENDED March 31, 2016

	For the year Ended March 31, 2016 (Rs. in lakhs)	For the year Ended March 31, 2015 (Rs. in lakhs)
A. Cash flow from operating activities:		
Net (loss)/profit before tax	(39.21)	(191.22)
Adjustments for :		
Depreciation/Amortisation	654.96	652.76
Interest Expense	538.88	621.99
Interest Income	(37.23)	(42.89)
Dividend Income	0.00	(0.05)
(Profit)/loss on sale of assets	0.35	21.91
(Profit)/loss on sale/write off of Investments	0.69	-
Operating profit before working capital changes	1118.44	1062.50
Adjustments for changes in working capital :		
- (Increase)/Decrease in Sundry Debtors	389.94	(123.14)
- (Increase)/Decrease in Other Receivables	19.46	577.98
- (Increase)/Decrease in Inventories	116.28	(26.09)
- Increase/(Decrease) in Trade and Other Payables	(595.74)	408.97
Cash generated from operations	1048.38	1900.22
- Taxes (Paid) / Received	(1.86)	(6.42)
Net cash from operating activities (a)	1046.52	1893.80
B. Cash flow from Investing activities:		
Purchase of fixed assets		
Additions during the period	(269.85)	(733.25)
Proceeds from Sale of fixed assets	0.34	27.54
(Purchase)/ Sale of Investment	12.06	(30.91)
Interest Received (Revenue)	33.33	43.38
Dividend Received (Revenue)	-	0.05
Net cash used in investing activities (b)	(224.12)	(693.19)
C. Cash flow from financing activities:		
Proceeds from long term borrowings(Net)	156.89	(592.47)
Proceeds from Short Term Borrowing	(456.87)	(12.68)
Interest Paid	(536.49)	(658.08)
Net cash used in financing activities (c)	(836.47)	(1263.23)
Net Increase/(Decrease) in Cash & Cash Equivalents (a+b+c)	(14.07)	(62.62)
Cash and cash equivalents as at 01.04.2015	106.76	169.38
Cash and cash equivalents as at 31.03.2016	92.69	106.76
Cash and cash equivalents comprise		
Cash in hand	9.53	7.55
Cheques in hand	-	2.52
Balance with Scheduled Banks	83.16	96.69
	92.69	106.76

Notes :

1 The above Cash flow statement has been prepared under the indirect method setout in AS-3 notified in the Companies (Accounting Standard) Rules,2006.

2 Figures in brackets indicate cash outgo.

3 Previous year figures have been regrouped wherever necessary to conform to the current year's classification.

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

On Behalf of the Board

For Sehgal Mehta & Co
CHARTERED ACCOUNTANTS
(FRN No.003330N)

NARESH KHANNA
Partner
Membership No. 081482
Place: New Delhi
Date : 30th May, 2016

CHAND SETH
Chairman & Managing Director
DIN-00002944
Place: Mumbai
Date : 30th May, 2016

RAJESH MEHRA
Chief Financial Officer
Place: New Delhi
Date : 30th May, 2016

VARUN SETH
Whole-Time Director
DIN-00017552
Place: Mumbai
Date : 30th May, 2016

SHILPA VERMA
Company Secretary
Place: New Delhi
Date : 30th May, 2016

Notes to financial statements for the year ended March 31, 2016
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

The financial statements have been prepared on the accrual basis under the historical cost convention and in compliance with the mandatory Accounting Standards prescribed under section 133 of the Companies Act 2013('Act') read with rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provision of the Companies Act, 2013 ("the 2013 Act"). The financial statements have been prepared on accrual basis under the historical cost convention. The Accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

B. PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENTS:

The financial statements of the Company have been prepared and presented as per the format prescribed under Schedule III notified under the Companies Act, 2013.

C. TANGIBLE ASSETS:

Fixed assets are stated at cost of acquisition (less accumulated depreciation and impairment, if any). Cost includes freight, duties, taxes & other incidental expenses related to acquisition and installation of fixed assets.

D. DEPRECIATION:

Depreciation on fixed assets is provided on straight-line method over useful life of assets as prescribed in Part C of schedule II to the Companies Act, 2013 except for lease hold land, which is amortized over the period of the lease. The depreciation on assets acquired/sold/discarded during the year is provided from/up to the period the assets is acquired/sold or discarded.

E. INTANGIBLE ASSETS:

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment.

Software which is not an integral part of the related hardware, is classified as an intangible asset and is being amortized over a period of five years, being the estimated useful life.

F. INVESTMENTS:

Long term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such decline is other than temporary, in the opinion of the management. Current investments are valued at lower of cost or fair value.

G. INVENTORIES:

Raw materials, packing Materials and stores & spares are valued at lower of cost (determined on FIFO basis) & net realizable value. Semi finished goods (Pet Preforms) and finished goods & accessories are valued at lower of weighted average cost including applicable manufacturing overheads and net realizable value.

H. REVENUE RECOGNITION:

Sale of goods is recognized at the point of dispatch to the customer, except in the case of export sales, which are recognized as per the terms of the contract. Sales are inclusive of Excise Duty and net of trade discounts. The company accounts for volume discounts on actual basis as a reduction of revenue.

I. EMPLOYEES BENEFITS:
a) Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, short term compensated absences, etc. and the expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related service.

b) Post-Employment Benefits
(i) Defined Contribution Plans

The company's managed Provident Fund scheme, state governed pension fund scheme, employee state insurance scheme and superannuation scheme are defined contribution plans. The contribution paid/payable under the schemes is recognized during the period in which the employee renders the related service.

(ii) Defined Benefit Plans

The employees' gratuity fund scheme is a Company's defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on the actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains and losses are recognized immediately in the Profit & Loss Account.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occurs. Past service cost is recognized as expense on a straight-line basis over the average period until the benefits become vested.

c) Other Long-term Employee Benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the Balance Sheet date. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the Balance Sheet date. Contribution to Provident Fund is charged to Profit & Loss Account as incurred. Gratuity and Leave encashment benefits are charged to Profit & Loss Account on the basis of amount determined actuarially at the year end. Superannuation is provided on the basis of amount paid/payable under the insurance scheme, taken from Life Insurance Corporation of India.

J. RESEARCH AND DEVELOPMENT EXPENSES:

Expenditure relating to capital items is debited to Fixed Assets and depreciated at applicable rates. Revenue Expenditure is charged to Profit & Loss Account of the year in which they are incurred.

K. LEASE ASSETS:

- a) For assets acquired on lease prior to 31.3.2001, the lease rentals are charged to Profit and Loss Account.
- b) For assets acquired on lease after 01.04.2001, in terms of Accounting Standard (AS-19) issued by the Institute of Chartered Accountants of India, lease of assets under which all the risks and benefits of ownership is effectively retained by the lessor are classified as operating lease, otherwise it is classified as financial lease. Payment made under operating lease is charged to profit and loss account on a straight-line basis over the period of lease.

L. BORROWING COST

Borrowing cost that are attributable to the acquisition of qualifying assets are capitalized up to period such assets are ready for their intended use. All other borrowing costs are charged to Profit & Loss Account.

M. GOVERNMENT GRANTS

- a) Government grants relating to specific fixed assets are adjusted with the value of tangible assets.
- b) Government grants in the nature of promoters' contribution, i.e., which have reference to the total investment in an undertaking or by way of contribution towards total capital outlay, are credited to capital reserve.
- c) Government grants related to revenue items are either adjusted with the related expenditure or shown under the schedule "Other Income", in case direct linkage with the cost is not determinable.

N. TAXES ON INCOME:

- a) Tax on income for the current period is determined on the basis of taxable income computed in accordance with the provisions of the Income Tax Act, 1961.
- b) Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet Date.
- c) Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future. However, where there is unabsorbed depreciation or carried forward loss under tax laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

O. FOREIGN CURRENCY TRANSACTIONS:

- a) Transactions denominated in foreign currencies are recorded at exchange rate prevailing at the date of transaction.
- b) Foreign currency monetary items are translated at year-end rates. Exchange differences arising on settlement of transactions and translation of monetary items are recognized as income or expense in the year in which they arise.
- c) The premium or discount on forward exchange contracts not relating to firm commitments or highly probable forecast transactions and not intended for trading or speculative purpose is amortized as an expense or income over the life of the contract.

P. IMPAIRMENT OF ASSETS:

Impairment of individual assets/cash generating unit (a group of assets that generates identified independent cash flows) are identified using external and internal sources of information and impairment loss if any, is determined and recognized in accordance with the Accounting Standard (AS) 28 issued in this regard by The Institute of Chartered Accountants of India.

Q. PROVISIONS AND CONTINGENCIES:

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made


NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

		March 31, 2016 (Rs. in lakhs)		March 31, 2015 (Rs. in lakhs)
2 SHARE CAPITAL				
AUTHORISED				
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
ISSUED, SUBSCRIBED & FULLY PAID UP		5,000.00		5,000.00
168,34,932(Previous Year 168,34,932) Equity shares of Rs.10/-each.	1,683.49		1,683.49	
Less : Calls in Arrears	(0.81)	1,682.69	(0.81)	1,682.69
Total issued, subscribed and fully paid-up capital		1,682.69		1,682.69

Terms/Rights attached to Equity Shares

The Company has only one class of Equity Shares having a face value of Rs. 10/- per share. Each holder of equity is entitled to one vote per share. In the event of liquidation of the Company, the holder's of equity shares would be entitled to receive remaining assets of the Company, after distribution of all Preferential amount. The distribution will be in proportion to the number of equity shares held.

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	No.(lakhs)	(Rs. in lakhs)	No.(lakhs)	(Rs. in lakhs)
At the beginning of the period	168.35	1,683.49	168.35	1,683.49
Outstanding at the end of the period	168.35	1,683.49	168.35	1,683.49

Details of shareholders holding more than 5% shares of the company

Name of Share Holder- Equity	No. of Shares (in lakhs)	% holding in class	No. of Shares (in lakhs)	% holding in class
Chand Seth	8.90	5.29	8.90	5.29
Pacific Pearl Finance & Leasing Ltd	11.16	6.63	11.16	6.63
Pearl Telefonics Ltd (formerly Sinclair Exports Ltd)	22.80	13.55	22.80	13.55
Theta Investments Pvt Ltd	20.64	12.26	20.64	12.26

3 RESERVE AND SURPLUS				
CAPITAL RESERVE		144.72		144.72
CAPITAL REDEMPTION RESERVE		1,733.00		1,733.00
SECURITIES PREMIUM ACCOUNT				
At the beginning of the period	1,870.03		1,870.03	
Less: Calls in Arrears	(1.76)	1,868.27	(1.76)	1,868.27
GENERAL RESERVE		147.42		147.42
SURPLUS /DEFECIT IN THE STATEMENT OF PROFIT & LOSS				
Balance as per last financial statements	(337.68)		624.26	
Adjustment related to Fixed Assets (net of deferred tax adjustment Rs. Nil (previous year Rs. 318.07 Lacs))	-		(711.29)	
Profit/(Loss) for the year	46.40		(250.65)	
Net Surplus/(Deficit) in the Statement of Profit & Loss		(291.28)		(337.68)
Total Reserve and Surplus		3,602.12		3,555.73

Non-current liabilities

4 Long Term Borrowings				
I Term Loans from Other Parties (secured)		662.41		272.11
II Vehicle Loans from Banks (secured)		22.85		15.02
Total Long Term Borrowings		685.26		287.13

I Term Loans

(i) Term Loan of Rs. 266.71 lakhs (Previous Year Rs. 510.58 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. Rate of interest as on 31.03.2016 was 13.50% p.a and current Rate of Interest is 12.50% p.a.

(ii) Term Loan of Rs. 600 lakhs (Previous Year Nil) is secured by way of first charge on immovable property situated at Baddi (Himanchal Pradesh). The Company is in the process of creating mortgage on the said property to secure the above said loan. 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 24.09.2020. Current Rate of interest is 11.70% p.a.

Repayments of above Term Loans are as follows:

Period of Payment of Installments	Term Loan (i)	Term Loan (ii)
From 1 to 2 years	164.15	255.58
From 2 to 3 years	82.07	133.34
From 3 to 4 years	20.49	133.34
From 4 to 5 years	-	77.74

II Vehicles Loans

Vehicle loans of Rs.33.94 lakhs (Previous Year Rs. 20.66 lakhs) are secured against hypothecation of respective vehicles.

Repayments - in monthly installment till 05.01.2019

Repayments of above Vehicles Loans are as follows:

(i) From 1 to 2 years - Rs. 23.35 lakhs

(ii) From 2 to 3 years - Rs.10.59 lakhs

		March 31, 2016 (Rs. in lakhs)		March 31, 2015 (Rs. in lakhs)
5 Deferred Tax Liability (Net)				
Deferred Tax Assets				
Provision for Doubtful Debt and Advances	47.16		46.28	
Provision for Leave Encashment	40.82		39.84	
Gratuity	84.87		86.30	
Unabsorbed Depreciation	54.98		-	
Bonus	9.16	236.99	3.85	176.27
Liabilities				
Depreciation (net of adjustment in opening reserves Nil (previous year Rs. 318.07 lacs))		632.29		657.18
Total Deferred Tax Liability (Net)		395.30		480.91
6 Other Long Term Liabilities				
Supplier's Credit		27.22		54.27
Security Deposit Received		71.36		124.37
Inter Corporate Deposits		60.81		230.00
Loan from Directors		23.40		67.80
Others		20.00		53.21
Total Other Long Term Liabilities		202.79		529.65
7 Long Term Provisions				
Provision for Employees Benefits				
Gratuity	254.74		249.55	
Leave Encashment	94.65	349.39	94.36	343.91
(Refer: Note No. 44)				
Total Long Term Provisions		349.39		343.91
8 Current liabilities				
Short Term Borrowings				
Loan Repayable on demand from Banks (secured)		1,798.62		2,405.49
Other loans and advances (unsecured)				
Inter Corporate Deposits		150.00		-
Total Short Term Borrowings		1,948.62		2,405.49



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.

		March 31, 2016 (Rs. in lakhs)		March 31, 2015 (Rs. in lakhs)
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9 Trade Payables				
Creditors for Raw materials*	2,248.38		2,616.67	
Creditors for Other Service*	300.76	2,549.14	363.44	2,980.11
*(Ref Note No. 45 for details of dues to Micro & Small Enterprises)				
		2,549.14		2,980.11

10 Other Current Liabilities				
Current maturity of long term loans from other parties (Ref Note I of 4)		204.30		238.47
Current maturity of Vehicle Loans(Ref Note II of 4)		11.09		5.64
Interest Accrued but not due		9.89		7.50
Advance Received from Customers		1.28		0.13
Unclaimed Matured Deposits		10.79		9.72
Other Payables				
Directors Remuneration Payable	3.23		1.39	
Employees dues Payable	102.01		89.86	
Statutory dues	162.84		173.37	
Expenses Payable	280.95		292.15	
Creditors for Capital Goods	48.12		123.24	
Others	59.96	657.11	28.35	708.36
Total Other Short Term Liabilities		894.46		969.82

11 Short Term Provisions				
Provision for Employees Benefits				
Leave Encashment payable		37.47		34.56
Gratuity payable (Refer Note 44)		19.93		29.72
Total Short Term Provisions		57.40		64.28

Non-Current Assets				
12 Fixed Assets				
i) Tangible Assets (Ref details below)	5,276.19		5,665.29	
ii) Intangible Assets (Ref details below)	4.45		0.98	
iii) Capital Work-in-Progress	-	5,280.64	0.16	5,666.43
Total Non Current Assets		5,280.64		5,666.43

TANGIBLE ASSETS										(Rs. in lakhs)
	Land Freehold	Land Leasehold	Building	Plant & Machinery	Moulds	Furniture & Fixtures	Office Equipments	Vehicles	Computers	Total
Cost or Valuation										
As at 1.4.2015	90.80	163.90	2,128.30	10,483.29	3,256.28	138.39	117.22	252.42	114.95	16,745.55
Additions		2.65	5.06	58.00	156.45	1.30	3.26	26.00	12.28	265.01
Disposals/ Depreciation written back	-	-	-	(5.00)	-	-	-	-	-	(5.00)
As at 31.3.2016	90.80	166.55	2,133.36	10,536.29	3,412.73	139.70	120.47	278.42	127.23	17,005.56
Depreciation										
As at 1.4.2015		13.30	857.73	7,133.64	2,593.10	113.41	99.85	162.31	106.93	11,080.26
Charges for the year		1.84	71.59	464.48	72.48	4.39	7.52	25.71	4.42	652.44
Charges for prior period	-	-	-	0.99	-	-	-	-	-	0.99
Disposals	-	-	-	(4.32)	-	-	-	-	-	(4.32)
As at 31.3.2016	-	15.14	929.32	7,594.79	2,665.58	117.80	107.37	188.02	111.35	11,729.38
Net Block										
As at 31.3.2016	90.80	151.41	1,204.04	2,941.50	747.15	21.90	13.10	90.40	15.88	5,276.19
As at 31.3.2015	90.80	150.60	1,270.57	3,349.65	663.18	24.99	17.37	90.11	8.02	5,665.29

Intangible Assets	Computer software	Total
Gross Block		
As at 1.4.2015	11.26	11.26
Purchase	5.00	5.00
Branch Trf -Received	5.00	5.00
Internal Development	-	-
Branch Trf (Send)	(5.00)	(5.00)
As at 31.3.2016	16.26	16.26
Amortization		
As at 1.4.2015	10.28	10.28
Charges for the year	1.53	1.53
Branch Trf -Received	0.55	0.55
Branch Trf (Send)	(0.55)	(0.55)
As at 31.3.2016	11.81	11.81
Net Block		
As at 31.3.2016	4.45	4.45
As at 31.3.2015	0.98	0.98

13 Non Current Investments				
Other Investments -Fully paid up				
Investment in Equity Shares-Quoted				
Investment in Associates				
i) 54,92,960 Equity Shares (Previous Year - 70,00,960) Equity Shares of Rs.10/- each in Pearl Engineering Polymers Ltd.	67.01			79.08
ii) 27,450 (Previous Year 27,450) Equity Shares of Rs.10/- each in Pearl Apartments Ltd.	0.87			0.87
Others				
i) 21,300 (Previous Year 21,300) Equity Shares of Rs.10/- each in Pretto Leather Ltd.	-			0.26
ii) 1,100 (Previous Year 1,100) Equity Shares of Rs.10/- each in Kongrar Integrated Fibre Ltd.	-			0.04
iii) 2,000 (Previous Year 2,000) Equity shares of Rs.10/- each in Valliant Communications Ltd.	0.20			0.20
iv) 1,000 (Previous Year 1,000) Equity shares of Rs.10/- each of B.K.Duplex Boards Ltd.	-			0.04
vi) 11,700 (Previous Year 11,700) Equity shares of Rs.10/- each of Rams Transformers Ltd.	-			0.35
vii) 3,300 (Previous Year 3,300) Equity shares of Rs.10/- each of Pasupati Fincap Ltd.	0.21			0.21
viii) 100 (Previous Year 100) Equity shares of Rs.10/- each of Prism Cement Ltd.	0.004			0.004
ix) 5,000 (Previous Year 5,000) Equity shares of Rs.10/- each of Master Trust Ltd.	0.57			0.57
x) 600 (Previous Year 600) Equity shares of Rs.10/- each of Dion Global Solutions Ltd	0.02			0.02
xi) 5,900 (Previous Year 5,900) Equity shares of Rs.10/- each of Market Creator Ltd.	0.27			0.27

		March 31, 2016 (Rs. in lakhs)		March 31, 2015 (Rs. in lakhs)
Investment in Preference Shares-Unquoted				
Investment in Associates				
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
Total Non Current Investments		209.57		222.33
Aggregate market value of Quoted Investments		101.35		91.28
Aggregate amount of Quoted Investments		69.15		81.91
Aggregate amount of Unquoted Investments		140.42		140.42
14 Long Term Loans and advances				
Capital Advances -unsecured- considered good		1.89		2.57
Security Deposits-unsecured				
-Considered good	214.04		216.45	
-Considered doubtful	4.69		4.69	
Less: Provision for doubtful advances	(4.69)	214.04	(4.69)	216.45
Other Loans and advances - unsecured				
Prepaid Expenses-considered good		4.58		6.88
Excise Duty-under protest		2.50		2.50
Others				
-Considered good	0.03		1.59	
-Considered Doubtful	-		1.13	
Less: Provision for doubtful advances	-	0.03	(1.13)	1.59
Total Long Term Loans and advances		223.04		229.99
15 Other Non-current Assets				
Others				
Vat input recoverable	9.88		12.97	
Excise duty recoverable	-	9.88	6.27	19.24
Total Other Non-current Assets		9.88		19.24
16 Inventories				
(As verified & certified by Management)				
Raw Materials	530.89		488.32	
Raw Materials in transit	27.66		15.16	
Finished Goods and Accessories	1,220.56		1,346.64	
Stock in Trade	11.24		18.03	
Semi-finished Goods	62.40		100.74	
Packing Materials	137.29		153.30	
Packing Materials in transit	8.61		4.02	
Stores & Spares	178.90	2,177.55	167.62	2,293.83
Total Inventories		2,177.55		2,293.83
17 Trade Receivables (Unsecured)				
Debts outstanding for a period exceeding six months from the date they are due for payment				
-Considered Good	140.26		153.62	
-Considered Doubtful	152.61		149.79	
Less: Provision for Doubtful Debts	(152.61)	140.26	(149.79)	153.62
Other Debtors-Considered Good		3,550.11		3,926.69
Total Trade Receivables		3,690.37		4,080.31
18 Cash and Bank Balances				
Balance with Banks				
-Current Accounts		83.16		96.69
Other Bank Balances				
Margin Money		224.47		217.53
Cheques in hand		-		2.52
Cash in hand		9.53		7.55
Total Cash and Cash Equivalents		317.16		324.29

		March 31, 2016 (Rs. in lakhs)		March 31, 2015 (Rs. in lakhs)
19 Short Term Loans and Advances				
Unsecured considered good				
Security Deposits		17.48		22.15
Advance to Suppliers		18.54		18.80
Prepaid Expenses		32.34		47.78
Insurance Claim Receivable		124.81		191.39
Others		33.16		19.22
Total Short Term Loans and Advances		226.33		299.34
20 Other current Assets				
Others - Unsecured - considered good				
Balances with Excise and Customs Authorities		20.77		35.21
Advance Tax /Tax Deducted at Source (Net of provision for tax Rs. Nil Lakhs, previous year Rs. Nil)		67.38		65.53
Interest Accrued on Deposits and Advances		30.28		26.38
Discounts Receivable		6.44		4.92
Others		107.76		31.92
Total Other non current Assets		232.63		163.96
Current Assets & Current Liabilities: In the opinion of the Board, the Current Assets, Loans and advances have a value on realization in the ordinary course of business, at least equal to the amount stated in the Balance Sheet				
21 Revenue from Operations				
Sale of products		18,585.16		20,819.72
Other operating revenues				
Scrap Sales	58.94		59.94	
Others	3.32	62.26	1.57	61.51
		18,647.42		20,881.23
Less: Excise Duty		953.63		1,023.07
Excise duty on sales amounting to Rs.953.63 lakhs (Previous year Rs. 1023.07 lakhs) have been reduced from sales in profit & loss account and excise duty on increase/decrease in stock amounting to (Rs.10.76) lakhs (previous year (Rs.0.99) lakhs) and Branch Transfer Rs. 36.51 lakhs (previous year Rs. 37.40 lakhs) have been considered as expense(income) in note of financial statement				
		17,693.79		19,858.16
22 Other Income				
Interest income on				
Bank Deposits	19.93		21.92	
Security Deposits	17.30		9.95	
Others	-	37.23	11.02	42.89
Exchange Rate Difference		-		3.40
Dividend income		-		0.05
Insurance Claims Received (refer note no. 48)		-		203.35
Balances written back		19.34		10.78
Provision for Bad and Doubtful Debts/Advances written back		-		22.52
Profit on sale of Fixed Assets		0.17		-
Provision No Longer Required written back		7.62		-
Misc Income		45.92		26.72
		110.28		309.71
23 Cost of Raw Materials Consumed				
Raw Materials				
Inventory at the beginning of the year	503.48		322.37	
Add: Purchase	8,366.07		10,833.62	
Less: Inventory at the end of the year	558.54	8,311.01	503.48	10,652.51
Packing Materials				
Inventory at the beginning of the year	157.31		143.73	
Add: Purchase	1,283.14		1,446.28	
Less: Inventory at the end of the year	145.90	1,294.55	157.31	1,432.70
Direct Purchase				
Pet Preforms	1.19		106.97	
Caps/Wads	294.22	295.40	225.97	332.94
		9,900.96		12,418.15

		March 31, 2016 (Rs. in lakhs)		March 31, 2015 (Rs. in lakhs)
Particulars of Raw Materials consumed		Value Rs. in lakhs March 31, 2016		Value Rs. in lakhs March 31, 2015
Pet Chips		7,141.58		9,076.25
Polypropylene		1,124.12		1,514.50
Other		45.30		61.76
		8,311.01		10,652.51

24 Purchase of Traded goods

Pet Bottles & Jars		32.98		429.03
Others		24.81		-
		57.80		429.03

25 Changes in inventories of Finished Goods, Stock in Process and Stock in Trade

Inventory at the beginning of the year				
Finished goods and Accessories	1,346.64		1,533.64	
Stock in Trade	18.03		11.25	
Semi finished goods	100.74	1,465.41	97.91	1,642.80
Inventory at the end of the year				
Finished goods and Accessories	(1,220.56)		(1,346.64)	
Stock in Trade	(11.24)		(18.03)	
Semi finished goods	(62.40)	(1,294.20)	(100.74)	(1,465.41)
		171.21		177.39

26 Employee benefit Expenses

Salary, Wages, Bonus & Other Allowance	1,384.07		1,400.62	
Contribution to P.F, ESI & other Funds	118.61		120.25	
Staff Welfare expenses	79.93	1,582.61	96.42	1,617.29
		1,582.61		1,617.29

27 Other Expenses

Consumption of Stores & Spares		344.30		239.47
Freight, Octroi & Cartage		499.99		482.48
Power and Fuel		1,883.83		1,867.26
Electricity & Water Charges		39.22		44.45
Advertisement, Publicity & Selling expenses		156.20		64.80
Printing, Stationery, Postage, Telephone & Telex		94.53		87.47
Rent	103.08		83.45	
Lease Rent	-	103.08	43.12	126.57
Repairs & Maintenance				
- Building	51.01		29.05	
- Machinery	100.66		99.10	
- Others	61.40	213.07	57.08	185.23
Insurance		27.18		25.02
Rates & Taxes		22.91		22.20
Commission		37.00		9.05
Rebate & Discount		39.52		38.25
Conveyance & Travelling expenses		217.16		197.51
Legal & Professional Fees		78.76		66.24
Payment to Auditors (Refer details below)		26.82		26.90
Exchange Rate Fluctuation (Net)		19.21		-
Donations		1.70		0.16
Loss on Sale/Write off Fixed Assets		0.06		21.92
Loss on settlement of Fire Claim		66.58		-
Director's Sitting fees		0.45		0.30
Sales Tax Additional Demand		11.14		-
Provision for doubtful debts /Advances		2.82		1.39
Bad debts written off		23.49		2.83
Loss on sale/write off of Investments		0.69		-
Advances written off		10.33		-
Wages Contractors		452.91		498.65
Hire Charges		235.08		181.07

		March 31, 2016 (Rs. in lakhs)		March 31, 2015 (Rs. in lakhs)
Miscellaneous expenses		169.59		210.82
Job work/Processing charges		126.23		-
Excise duty on Branch Transfer		36.51		37.40
Excise duty on Increase/Decrease of Inventory		(10.76)		(0.99)
		4,929.60		4,436.45
Payment to Auditors				
	Statutory Auditors	Branch Auditors	Statutory Auditors	Branch Auditors
Audit Fees				
Statutory Audit Fees	7.06	-	6.93	-
Limited Review Fee	7.59	-	7.49	-
for Taxation matters	10.45	-	10.80	-
for Company law matters	0.57	-	0.56	-
Management & Other Services	1.15	-	1.12	-
Reimbursement of expenses (Net of Service Tax)	-	-	-	-
	26.82	-	26.90	-
Total Payment to Auditors		26.82		26.90

28 Prior period adjustments

Expenditure/(Income)				
Travelling		0.49		0.19
Staff welfare		-		0.02
Repairs & Maintenance Others		0.64		0.11
Car Repair & Maint		-		0.26
Consumables		-		0.02
Electricity		-		0.40
Freight outward		1.88		0.49
Legal & professional		0.85		0.67
Membership and Subscription		-		0.01
Rates & Taxes		1.42		3.87
Misc Expenses		2.97		-
		8.25		6.04

29 Depreciation and Amortization

Depreciation	652.44		651.03	
Amortization	1.53	653.97	1.72	652.75
		653.97		652.75

30 Finance Costs

Interest Expenses		458.83		528.00
Others				
Other Borrowing Cost		80.05		93.99
		538.88		621.99

31 Earning per share (EPS)

The following reflects the basic and diluted EPS computations :				
Total operations for the year		(Rs. in lakhs)		(Rs. in lakhs)
Net Profit/(Loss) for allocation of basic EPS		46.40		(250.65)
		(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.)		0.28		(1.49)
Total No of weighted average Equity Shares including diluted potential Equity Shares outstanding during the year		168.35		168.35
Diluted Earning per share (Rs.)		0.28		(1.49)

32 Estimated amount of contracts remaining to be executed on Capital account and not provided for (Net of Advances)

(Rs. in lakhs)		(Rs. in lakhs)
29.80		17.82



		March 31, 2016 (Rs. in lakhs)		March 31, 2015 (Rs. in lakhs)
33 Contingent Liabilities				
In respect of guarantees executed by Banks against lodgment of counter guarantees of the Company * Provided by way of Margin Money Rs. 30.41 lakhs (Previous Year Rs. 18.37 lakhs)		91.98		73.48
In respect of Service Tax		0.04		0.04
In respect of demands for Excise Duty * * 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. Asst. Commissioner given show cause notice relating to supplementary invoices raised from January 2001 to April 2003 and differential duty deposited, but interest on delayed payment of duty not paid, hence demand raised of Rs.0.04 by department. Joint Commissioner of Central Excise has given notice for excess availment of cenvat credit on the supply of pet chips by SOUTH ASIAN PETRO CHEM. Demand confirmed and penalty Rs. 5.00 Lacs imposed DT 26.12.06. Appeal filed with CESTAT for Ed Cess of Rs. 14093/- and to levy penalty Dropped vide order dated 21.02.08. 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 issued notice for Rs60,586/- for Non payment of interest on late payment of duty on finished goods destroyed in fire. point taken in EA 2000 Audit .REPLY SUBMITTED ON 03.02.2016 TO COMM OF CENTRAL EXCISE. The Company had received for its unit at Jigani show cause notice from Asst. Commissioner of Central Excise, Bangalore for Inclusion of cost of transportation of goods from factory to the customer destination for determining the assessable value of the goods for excise duty for Rs.440573. Appeal filled before the Hon'ble Customs, Excise and Service Tax Appellate Tribunal along with Stay Application on 21/08/2014. The Company had received for its unit at Gurgoan show cause notice Excise Department for Rs.10/- lakhs for penalty and deposited Rs. 2.50 lakhs under protest.	381.36		807.07	
In respect of 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) In respect of assessment order for the year 2002-03 of its unit at Jigani of Rs. 9.88 lakhs.(CST) (Net of Bank guarantee) In respect of Demand for income tax pertaining to asse ssment year 2010-11 & 2011-12 for Assessment u/s 143(3) In respect of Demand for income tax pertaining to asse ssment year 2009-10 & 2011-12 for demand u/s 271(1)	248.24		19.49	
	61.61		21.86	
	5.03		-	
34 Value of imports calculated on CIF basis				
Raw Materials	605.45			2,840.02
Traded goods	16.27			-
Capital goods	16.62			271.49



		March 31, 2016 (Rs. in lakhs)		March 31, 2015 (Rs. in lakhs)
35 Expenditure in foreign currency (accrual basis)				
Travelling and conveyance		0.48		5.43
Others		0.58		-
36 Earnings in foreign currency (accrual basis)				
Exports at F.O.B Value - Finished Goods		4.48		19.85
37 The Foreign Currency exposure that are not hedged by derivative instruments or otherwise are as under :				
Particulars	2015-2016		2014-2015	
	In Foreign Currency	Rs. in lakhs	In Foreign Currency	Rs. in lakhs
Trade Receivable				
USD	-	-	19,207.49	9.92
Trade Payable				
USD	-	-	850,674.00	540.29
EURO	4,080	3.08	-	-
38 Imported and Indigenous Raw Materials, Components and Spare parts consumed	% of Total Consumption	Value Rs. in lakhs	% of Total Consumption	Value Rs. in lakhs
Raw Materials				
Imported	9	709.01	25	2,659.21
Indigenously obtained	91	7,602.24	75	7,993.30
	100	8,311.25	100	10,652.51
Spare parts & Components				
Indigenously obtained	100	344.30	100	239.47
	100	344.30	100	239.47
39 Purchases are net of incentives received.				
40 Related party disclosures				
Name of relative parties and related party relationship				
Key Management Personnel				
Mr.Chand Seth - Chairman & Managing Director				
Mr.Varun Seth - Whole Time Director				
Mr. Ramesh Mehra - Whole Time Director				
Relatives of Key Management personnel and their enterprises where transactions have taken place				
Mrs. Suneeta Seth				
Mr. Amit Seth				
Mr. Udit Seth				
Related parties where control exists				
Pearl Flats India Ltd				
Pacific Pearl Finance & Leasing Ltd				
Pearl Telefonics Ltd (Formerly Sinclair Exports Ltd)				
Theta Investments Pvt Ltd				
41 Related party transactions				
Key Management Personnel				
Remuneration paid				
Mr Chand Seth	57.89			57.89
Mr Varun Seth	46.45			40.40
Mr Ramesh Mehra	13.80			10.45
Loan taken				
Mr Chand Seth	-			85.00
Sale of Investments				
Mr Chand Seth	-			25.00
Outstanding Payable				
Mr Chand Seth	24.61			69.01
Mr. Varun Seth	0.88			1.64
Mr. Ramesh Mehra	1.15			0.15

		March 31, 2016 (Rs. in lakhs)		March 31, 2015 (Rs. in lakhs)
42 Relatives of Key Management Personnel				
<u>Remuneration paid</u>				
Mr Amit Seth		30.28		30.28
Mr Udit Seth		30.28		30.28
<u>Rent paid</u>				
Theta Investments Pvt Ltd		6.00		6.00
Mrs Suneeta Seth		12.00		12.00
<u>Outstanding Payable</u>				
Mr. Amit Seth		1.39		1.39
Mr. Udit Seth		1.39		1.39
Mrs Suneeta Seth		1.08		1.08
43 Related parties where control exists				
<u>Advance received against sale of property</u>				
Pearl Flats India Ltd.		-		20.00
<u>Interest Paid on ICD</u>				
Pacific Pearl Fin. & Leasing Ltd		-		1.94
Pearl Telefonics Ltd		-		0.84
Theta Investments Pvt Ltd		-		0.15
<u>Outstanding Payable</u>				
Pearl Flats India Ltd.		20.00		20.00
44 Gratuity and other post employment benefit plans				
<u>Employees Benefits</u> 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:				
<u>Defined Contribution Plans</u> The Company has recognized the following amounts in the Profit & Loss Accounts for the year				
I. Employer's Contribution to Provident Fund		40.56		54.31
II. Employer's Contribution to Superannuation Fund		17.08		15.92
III. Employer's Contribution to Employees' Pension Scheme		44.05		32.33
IV. Employer's Contribution to Employees' State Insurance Scheme		11.49		12.15
<u>Defined Benefit Plans</u> 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)	7.50%		7.80%	
b) Rate of increase on compensation levels/escalation in salary	5.00%		5.00%	
c) Expected rate of Return on Plan Assets	8.85%		8.75%	
d) Expected Average remaining working lives of employees in number of years	18 yrs		20 yrs	
	Gratuity (Funded)	Leave Encashment	Gratuity (Funded)	Leave Encashment
	March 31, 2016	March 31, 2016	March 31, 2015	March 31, 2015
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
Changes in the Present Value of Obligation				
Present value of Obligation as at 1 st April, 2015	295.33	117.69	259.20	113.29
Interest Cost	23.04	9.18	23.59	10.31
Past Service Cost	-	-	-	-
Current Service Cost	22.31	15.27	21.78	13.11
Curtailment Cost (Credit)	-	-	-	-
Impact due to settlement	-	-	-	-
Settlement Cost (Credit)	-	-	-	-

	Gratuity (Funded) March 31, 2016 Rs. in lakhs	Leave Encashment March 31, 2016 Rs. in lakhs	Gratuity (Funded) March 31, 2015 Rs. in lakhs	Leave Encashment March 31, 2015 Rs. in lakhs
Directly paid by Enterprises	-	-	-	-
Benefits Paid	(24.50)	(7.13)	(29.08)	(13.45)
Actuarial Loss/(Gain)	(19.67)	(15.06)	19.84	(5.57)
Foreign Currency exchange rate different from the enterprises reporting currency				
Present value of Obligation as at 31 st March , 2016	296.51	119.95	295.33	117.69
Changes in the Fair Value of Plan Assets				
Fair Value of Plan Assets as at 1 st April, 2015	16.06	-	24.69	-
Expected Return on Plan Assets	1.41	-	2.18	-
Actuarial Loss/(Gain)	(0.19)	-	(0.59)	-
Employers' Contribution	29.06	-	18.86	-
Contribution transferred from Group Companies	-	-	-	-
Benefits Paid	(24.50)	-	(29.08)	-
Contributions by Plan	-	-	-	-
Fair Value of Plan Assets as at 31 st March, 2016	21.84	-	16.06	-
Percentage of each Category of Plan Assets to total Fair Value of Plan Assets as at 31st March, 2016				
GOI Securities	-	-	-	-
Public Securities	-	-	-	-
Bank Deposits (Special Deposit Scheme 1975)	-	-	-	-
State Government Securities	-	-	-	-
Insurance Policies	21.84	-	16.06	-
Other (including Bank Balances)	-	-	-	-
Reconciliation of Present Value of Define Benefit Obligation and the fair value of Assets				
Present value of funded Obligation as at 31 st March, 2016	296.51	119.95	295.33	117.69
Fair Value of Plan Assets as at 31st March, 2016	21.84	-	16.06	-
Funded (Assets)/Liability recognized in the Balance Sheet				
Present value of Unfunded Obligation as at 31st March, 2016	274.67	119.95	279.27	117.69
Unrecognized past service cost	-	-	-	-
Unrecognized actuarial (Gain)/Losses	-	-	-	-
Unfunded Net Liability recognized in the Balance Sheet	274.67	119.95	279.27	117.69
Amount recognized in the Balance Sheet				
Present value of Obligation as at 31 st March ,2016	296.51	119.95	295.33	117.69
Fair Value of Plant Assets as at 31 st March ,2016	21.84	-	16.06	-
Assets/Liability recognized in the Balance Sheet(Net)	274.67	119.95	279.27	117.69
Expenses recognized in the Profit & Loss Account				
Current Service Cost	22.31	15.27	21.78	13.11
Past service Cost	-	-	-	-
Interest Cost	23.04	9.18	23.59	10.31
Expected Return on Plan Assets	(1.22)	-	(1.59)	-
Curtailment Cost (Credit)	-	-	-	-
Settlement Cost (Credit)	-	-	-	-
Net actuarial (Gain)/Loss	(19.67)	(15.06)	19.84	(5.57)
Contribution transferred from Group Companies				
Total Expenses recognized in the Profit & Loss Account	24.45	9.39	63.62	17.85
45 Disclosure in accordance with Part I of Schedule VI of Companies Act, 1956 in respect of Micro, Small and Medium Enterprises"				
Particulars		March 31, 2016 Rs. in lakhs		March 31, 2015 Rs. in lakhs
a. Principal amount remaining unpaid		Nil		Nil
b. Interest due thereon		Nil		Nil
c. Interest paid by the company in term of Section 16 of Micro, Small and Medium Enterprises Development Act.		Nil		Nil
d. Interest due and payable for the period of delay in payment		Nil		Nil
e. Interest accrued and remaining unpaid		Nil		Nil
f. Interest remaining due and payable even in succeeding years		Nil		Nil
This information as required to be disclosed has been determined to the extent such parties have been identified on the basis of information available with the company during the year				



- 46 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
- 47 In view of loss during the year, provision for Income Tax has not been made.
- 48 The Company had made an insurance claim of Rs. 191.39 lakhs, on an estimated basis pending settlement, in respect of fire at one of its unit in 2014-15. During the year, the claim is finally settled at Rs. 124.75 lakhs resulting to a loss of Rs. 66.64 Lacs on settlement of the said fire claim.
- 49 a) 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 3 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.
b) The Company does not have leased facilities under the non-cancellable operation lease during the year. Lease rent amounting to Rs. Nil (previous year Rs. 43.12 lakhs) has been charged to Profit & Loss Account during the year.
- 50 Previous Year figures have been regrouped/reclassified, wherever considered necessary to conform to current year's classification.

On Behalf of the Board

For Sehgal Mehta & Co
CHARTERED ACCOUNTANTS
(FRN No.003330N)

CHAND SETH
Chairman & Managing Director
DIN-00002944
Place: Mumbai
Date : May 30, 2016

VARUN SETH
Whole-Time Director
DIN-00017552
Place: Mumbai
Date : May 30, 2016

NARESH KHANNA
Partner
Membership No. 081482
Place: New Delhi
Date : May 30, 2016

RAJESH MEHRA
Chief Financial Officer
Place: New Delhi
Date : May 30, 2016

SHILPA VERMA
Company Secretary
Place: New Delhi
Date : May 30, 2016

PEARL Polymers Limited

CIN: L25209DL1971PLC005535

Registered Office: A97/2, Okhla Industrial Area, Phase II, New Delhi 110 020

Tel: 01147385300 * Fax: 01147480746 * Website: www.pearlpvt.net

PROXY FORM
(Form No. MGT-11)

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

Name of the Member (s):		Email Id:	
Registered address		Folio No/ Client ID No. DP ID	

I/We, being the member (s) of Equity 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 **45th Annual General Meeting** of the Company, to be held on Friday, the **30th day of September, 2016** at 11.30 a.m. at A-97/2, Okhla Industrial Area, Phase-II, New Delhi-110020 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	For	Against
Ordinary Business			
1.	Consider and adopt the Audited Financial Statements of the Company as at 31 March 2016 and the Reports of the Board of Directors' and the Auditors' thereon.		
2.	Appointment of a Director in place of Mr. Ramesh Mehra (DIN: 00003334), who retires by rotation and being eligible, offers himself for re-appointment.		
3.	Ratification of appointment of the Statutory Auditors and to fix their remuneration.		
Special Business			
4.	Service of Documents under section 20 of the Companies Act, 2013		

Signed this _____ day of _____ 2016

Signature of Shareholder _____ Signature of Proxy holder(s) _____

Affix
Revenue
Stamp

Notes:

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 '√' 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, but name of all the Joint holders should be stated.

LOCATION TO THE ANNUAL GENERAL MEETING

