PEARL Polymers Limited

PET
POLYETHYLENE TEREPHTHALATE
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

REF.NO.PPL: SD:528:2015-2016 **5th September, 2015**

The Secretary

1. **National Stock Exchange of India Ltd**
   Exchange Plaza, 5th Floor,
   Plot No. C1, G Block,
   Bandra, Kurla Complex,
   Bandra (East)
   Mumbai- 400051
   (Stock Code: PEARLPOLY)

2. **BSE Ltd.**
   Phiroze Jeejeebhoy Towers,
   25th Floor, Dalal Street,
   Mumbai-400001
   (Stock Code: 523260)

Sub: SUBMISSION OF 44th ANNUAL REPORT OF THE COMPANY FOR FINANCIAL YEAR 2014-2015

Dear Sir/Madam,

As per the provision of the Listing Agreement, we are enclosing herewith copy of 44th Annual Report of the Company along with Form A for forthcoming Annual General Meeting of the Company, scheduled to be held on Wednesday the 30, September, 2015 at 11:30 A.M at A-97/2, Okhla Industrial Area Phase-II, New Delhi-110020 for Financial Year 2014-2015.

You are requested to kindly take the same on record.

Thanking you,

Yours faithfully,
For **Pearl Polymers Limited**

Shilpa Verma
Company Secretary
M. No. : A35798

Encl: As above

PEARL POLYMERS LIMITED

44th

ANNUAL REPORT

PEARL

2014-2015

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

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

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

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

NOTICE

NOTICE is hereby given that the **44th** Annual General Meeting of the members of Pearl Polymers Limited will be held on Wednesday, the **30th Day of September, 2015 at 11:30 A.M.** at A-97/2, Okhla Industrial Area, Phase-II, New Delhi-110 020, the registered office of the Company, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2015 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Chand Seth (DIN No. 00002944), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To ratify the appointment of 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 the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies 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 of the Company to be held in the year 2017, subject to ratification of the appointment by the Members at every Annual General Meeting, to examine and audit the accounts of the Company for Financial Year 2015-2016, on such remuneration as may be agreed upon by the Board of Directors in consultation with the Auditors."

SPECIAL BUSINESS:

4. To re-appoint Mr. Varun Seth (DIN 00017552) as the Whole Time Director 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 in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), subject to the approval of the members of the Company at the ensuing Annual General Meeting, Mr. Varun Seth (DIN 00017552), be and is hereby re-appointed as the Whole Time Director of the Company, for a further period of 3 (three) years with effect from July 01, 2015 to June 30, 2018, on the following terms and conditions including remuneration as set out in the statement annexed to the Notice convening this Annual General Meeting, with the liberty and power to the Board of Directors (hereinafter referred to as 'the Board' which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Varun Seth, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

   RESOLVED FURTHER THAT Mr. Varun Seth, Whole Time Director of the Company, shall be liable to retire by rotation in pursuance of the provisions of Section 152 read with the Companies (Appointment and Qualification of Directors) Rules, 2014.

   RESOLVED FURTHER THAT Mr. Chand Seth, Chairman & Managing Director of the Company, be and is hereby authorized to do all such acts, deeds and things as are necessary in this regard."

   Mr. Chand Seth and Mr. Varun Seth, being interested in the aforesaid item, did not participate in the proceedings of this item, nor did they vote on the resolution

By Order of the Board of Directors
Pearl Polymers Limited
Shilpa Verma
Company Secretary
M.No. A35798

Place: New Delhi
Date : August 12, 2015
Registered Office:
A-97/2, Okhla Industrial Area,
Phase-II, New Delhi-110020

NOTES:

1. The Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business mentioned at Item No. 4 to be transacted at the Annual General Meeting is annexed hereto. Additional information as required under Clause 49 of the Listing Agreement in respect of Director seeking reappointment at the Annual General Meeting is furnished as annexure to the Notice.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE ANNUAL GENERAL MEETING ON A POLL INSTEAD OF HIM/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
3. Proxy Form, in order to be effective, must be received at the Company's registered office not less than 48 hours before the commencement of Annual General Meeting.

   Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
4. Corporate members intending to send their authorized representatives to attend the Annual General Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
5. Members/ Proxies/ Authorised Representatives are requested to bring the duly filled Attendance Slip along with their copy of Annual Report to attend the Annual General Meeting. As a measure of economy, Annual Reports shall not be distributed at the Annual General Meeting.
6. In case of joint holders attending the Annual General Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, the 25th Day of September, 2015 to Wednesday, the 30th Day of September, 2015 (both days inclusive), in terms of the provisions of the Companies Act, 2013 and the Listing Agreement with the Stock Exchanges, for the purpose of Annual General Meeting.
8. All relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, during 10.30 a.m. to 12.30 p.m., up to the date of the Annual General Meeting.
9. In case you have any query relating to Annual Accounts you are requested to send the same to the Company Secretary at the Registered Office of the Company at least 10 days before the date of AGM so as to enable the Company to collect the relevant information.

   Voting through Electronic Means
10. Pursuant to Section 108 of the Companies Act, 2013, read with the Companies (Management & Administration) Rules, 2014 amended as Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, a 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.
11. The Company has fixed Thursday, September 24, 2015, as a cut-off date to record the entitlement of the shareholders to cast their vote at the 44th Annual General Meeting ('AGM') by electronic means under the Companies Act, 2013 and rules made there under.
12. 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.
13. The Remote E-voting period will commence on Saturday, September 26, 2015 (9.00 A.M.) and ends on Tuesday, September 29, 2015 (5:00 P.M.). The Company has appointed Ms. Shalu Singhal, Practising Company Secretary (Membership No. 32682), to act as the Scrutinizer, for conducting the scrutiny of the votes cast, in a fair and transparent manner.
14. The Scrutinizer shall immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the Annual General Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than 3 days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
15. Green Initiative: The Ministry of Corporate Affairs ('MCA') and Securities and Exchange Board of India ('SEBI'), have taken "Green Initiative in the Corporate Governance", thereby directing Companies to serve documents to its members whose e-mail address are registered with the Company, through electronic mode, unless specific request is received from the member regarding physical delivery of documents.

    Accordingly, the Annual Report of the Company for financial year 2014-15 is being sent in electronic mode to members whose e-mail Ids are registered with the Company or the Depository Participant(s) unless member has registered their request for a physical copy of the Report. For members who have not registered their e-mail addresses, physical copies of the Annual Report 2014-15 are being sent by the permitted mode.

REGISTRATION OF E-MAIL IDS

Members who have not registered their Email IDs are requested to give following details to the Company at email id: **pearlsecretarial@pearlpet.net** :

Name of the Shareholder: ..... **Folio Number/ DPID :** .....

Email Id: .....

Even after registering for e- communication, members are entitled to receive such communication in physical form, upon receipt of request for the same, free of cost.

WE SOLICIT YOUR VALUABLE CO-OPERATION AND SUPPORT IN OUR ENDEAVOR TO CONTRIBUTE OUR BIT TO THE ENVIRONMENT.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 4

The tenure of Mr. Varun Seth expires on June 30, 2015. Taking into consideration of the valuable services rendered by him during his tenure for the growth of Company and subject to the approval of the members of Company in Annual General Meeting and based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors at its Meeting held on May 27, 2015 had re-appointed Mr. Varun Seth as the Whole Time Director of the Company for a period of three (3) years with effect from July 01, 2015 to June 30, 2018, on the following terms and conditions including remuneration:

A. Remuneration including Basic salary, Medical Reimbursement, Leave Travel Concession etc. aggregating to, but not exceeding Rs. 3,50,000/- (Rupees Three Lacs Fifty Thousand Only) per month.

B. PERQUISITES IN ADDITION TO THE ABOVE

1. **Housing**: Expenditure by the Company on hiring furnished accommodation subject to lease rent not exceeding one month basic salary. The value of benefit will be determined as per the Income Tax Rules.

   Provided that not more than 50% of the accommodation provided to the appointee shall be used and maintained for office purpose. The lease rent shall be apportioned between the Company and the appointee in the ratio of 50:50. Accordingly the Expenses incurred on gas, electricity, water and furnishing at actual value, shall also be apportioned between the Company and the appointee in the ratio of 50:50.
2. **Provident Fund:** The Company's contribution to Provident Fund as per rules of the Company will be subject to a ceiling of 12% of the salary as laid down under the Income Tax Rules, 1962.
3. **Superannuation Fund:** The Company's contribution to the Superannuation fund together with the contribution to Provident Fund shall not exceed 27% of the salary, as laid down in the Income Tax Rules, 1962.
4. **Gratuity:** The Gratuity payable shall not exceed one half month's salary for each completed year of service subject to a ceiling of Rs. 10,00,000/- or such other sum as may be specified under the provisions of Payment of Gratuity Act, 1972.
5. **Earned/ Privileged Leave:** As per the Rules of the Company, the leaves accumulated but not availed of during the tenure may be allowed to be encashed at the end of the tenure.
6. Free use of Company's car with driver for business of the Company.
7. Free telephone and Mobile facility at the Company's cost. However, personal long distance cost shall be billed to the appointee.

In the event of absence or inadequacy of profits in any financial year, Mr. Varun Seth should be paid aforesaid remuneration and permissible perquisites, if approved by the Shareholders at the ensuing Annual General Meeting, in accordance with the provisions of Schedule V to the Companies Act, 2013.

Mr. Varun Seth upon re-appointment as the Whole Time Director shall be subject to retirement by rotation during his tenure of appointment in the Company.

The re-appointment and remuneration payable to Mr. Varun Seth need to be approved by the shareholders at the Annual General Meeting and accordingly, the resolution is placed before the Members.

Annexure to the Notice

INFORMATION PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT

Profile and other details of Mr. Chand Seth (Item No. 2) :

Mr. Chand Seth, aged 71 years, is one of the promoters of the Company and has over 45 years of experience in the field of Polymers. He holds a degree in B.Tech (Mech.) from IIT (Kharagpur) and MS from Michigan University, USA.

Mr. Chand Seth, has diverse experience and deep knowledge of the Plastic Industry. His perspective provides the Board with invaluable information necessary to direct the business and affairs of the Company.

Companies (other than Pearl Polymers Limited) in which Mr. Chand Seth holds Directorship and Membership in Committees:

Directorships

a) Theta Investment Private Limited
b) Indo Nippon Chemical Company Limited
c) Pacific Pearl Finance and Leasing Limited
d) Pearl Flats (India) Limited
e) Pearl Telefonics Limited

Membership in Committees : Nil

Number of Shares : 8,90,475 Equity Shares

Profile and other details of Mr. Varun Seth (Item No.4) :

Mr. Varun Seth, aged 42 years holds bachelor's Degree in Engineering in Industrial Production. He is a Production Engineer and has undergone training in Japan during his initial assignment. He has an experience of nearly 19 years in handling production, marketing and overall business operations of the Company.

Mr. Varun Seth has immensely contributed in exploring new avenues for expansion of the Company's business and improving its overall performance. With his vast experience and knowledge in his field, he is best suited to the profile.

Companies (other than Pearl Polymers Limited) in which Mr. Varun Seth holds Directorship and Membership in Committees:

Directorships

a) Theta Investment Private Limited
b) Pacific Pearl Finance & Leasing Limited
c) Pearl Flats (India) Limited

Membership of Committees of the Board: Nil

Number of Shares: 5,97,778 Equity Shares

STATEMENT PURSUANT TO THE PROVISIONS OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013 IN RESPECT TO ITEM NO. 4

I. GENERAL INFORMATION:

(a) **Nature of Industry:**

The Company is engaged in the manufacturing of PET Jars and Bottles.

(b) **Expected date of Commencement of commercial production:**

The Company has incorporated in the year 1971, so expected date of commercial production is not applicable.

(c) **In case of new Companies, expected date of commencement of activities as per the Project approved by financial institutions appearing in the prospectus**:

Not Applicable.

(d) **Financial Performance based on given indicators:**

The relevant Audited financial figures for the year ended as on March 31, 2015 are as under:

(Rs. In Lacs)

Total Revenue	Expenses	Net Profits before Tax	Tax Expenses	Net Profit after Tax
20167.87	20359.09	(191.22)	59.43	(250.65)

(e) **Foreign Investments or collaborators, if any:**

Not Applicable.

I) INFORMATION ABOUT THE APPOINTEE:

(a) **Background Details**: Mr. Varun Seth, aged 42 years holds bachelor's degree in Engineering in Industrial Production. He has undergone training in Japan during his initial assignment. He has rich experience of nearly 19 years in handling production, marketing and overall business operations of the Company.

(b) **Past Remuneration**: During his earlier tenure as Whole Time Director in the Company, Mr. Varun Seth has received maximum remuneration of Rs. 3,50,000 Per Month , being the remuneration approved by the shareholders of the Company at the 41st Annual General Meeting held on September 20, 2012.

(c) **Recognition or Awards**: The Company won various awards namely World Star Award, Asia Star Award and Johnson & Johnson Worldwide Sustainability Award for the initiative taken in implementing change in bulk packaging process under his leadership.

(d) **Job Profile and his suitability:** Mr. Varun Seth has been instrumental in setting up of the various plant of the Company and is actively involved in activities at other plants of the Company. He has also been involved in planning and framing of business strategy for introduction of new products and clients for the Company.

(e) **Remuneration Proposed**: As mentioned above

(f) **Comparative remuneration profile with respect to Industry, size of the Company, profile of the position and person:** The prevalent levels of remuneration in the industry in plastic and manufacturing industry in particular are higher. In view of his strategic role in turning around the Company from difficult times and placing it in such a pre-eminent position in the industry while also considering his academic background and vast experience, the proposed remuneration to the appointees is reasonable and is in fact on lower side compared to the remuneration packages for such levels paid in the Industry.

(g) **Pecuniary relationship directly or indirectly with the Company or relationship with the management personnel, if any:** Except Mr. Chand Seth, Chairman & Managing Director of the Company, none of the Directors, Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item no. 4 of this Notice.

II) OTHER INFORMATION:

(a) **Reasons of loss or Inadequate Profits**: With significant increase in the cost of raw material prices, the manufacturing costs have gone up which has resulted in lower margins since the rise in raw material prices could not be passed on to customers due to cut throat competition in Pet Bottle & Jar market.

(b) **Steps taken or proposed to be taken for Improvement:** The Company is taking all possible steps to improve the profitability of the Company. Continuous efforts are being made towards exploring new markets in other Countries. Options for new segments are also being explored simultaneously.

(c) **Expected increase in Productivity and Profits in measurable terms:** The Company will strive to widen its customer base, increase market share, develop new products and enter new segments to achieve an overall growth in the domestic top line. The Company is entering into long-term contracts with the raw material suppliers to avoid unexpected price variation/shortages.

The aforesaid measures are expected to substantially increase the productivity and profits of the Company.

By Order of the Board of Directors
Pearl Polymers Limited
Shilpa Verma
Company Secretary
M.No. A35798

Place: New Delhi
Date : August 12, 2015
Registered Office:
A-97/2, Okhla Industrial Area,
Phase-II, New Delhi-110020

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 44th Annual Report on the business and operations of the Company along with the audited financial statements, for the year ended March 31, 2015.

FINANCIAL RESULTS

The financial performance of your Company for the year ended March 31, 2015 is summarized below:

(Rs. in Lacs)

Particulars	March 31, 2015	March 31, 2014
Gross Sales	20881.23	23,653.91
Less: Excise Duty	(1023.07)	(1,140.48)
Net Sales	**19858.16**	**22,513.42**
Other Income	309.71	122.10
Total Income	20167.87	22,635.53
Total Expenditure	20359.09	22,583.47
Profit Before Tax and Exceptional Items (PBT)	**(191.22)**	**52.07**
Tax Expenses :		
-Current Tax	**0.00**	**5.68**
-Deferred Tax	**59.43**	**(7.51)**
Profit after Taxation	**(250.65)**	**53.90**

OPERATIONAL & FINANCIAL REVIEW

Due to sharp fall in the prices of crude oil during the second half of the year, high interest rate, increase in raw material prices and other reasons which were beyond the control of the Company, the Gross Sales of your Company decreased to Rs.20,881.23 Lacs from Rs.23,653.91 Lacs in the previous year.

Management evaluates all recently issued or revised accounting standards on an ongoing basis. The Company discloses its un-audited financial results on a quarterly basis and audited financial results on an annual basis.

There have been no material changes and commitments that have occurred between the close of the financial year (March 31, 2015) and the date of the Report (August 12, 2015), which affects the financial position of the Company.

DIVIDEND

In view of losses, your Directors regret their inability to recommend dividend on Equity Shares of the Company for the year ended March 31, 2015.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

The Board comprises of 6 Directors including 3 Independent Directors. The Independent Directors provide their declarations both at the time of appointment and annually confirming that they meet the criteria of independence as prescribed under Companies Act, 2013 and Clause 49 of the Listing Agreement. During the year, the Board of Directors met 4 (Four) times, the details of which are furnished in the Corporate Governance Report forming part of this Annual Report.

Mr. Chand Seth, Chairman & Managing Director, is liable to retire by rotation at the ensuing Annual General Meeting pursuant to the provisions of Section 152(6) of the Companies Act, 2013, read with the rules made thereunder and Articles of Association of the Company, and being eligible, he has offered himself for re-appointment. The Board recommends his re-appointment.

The tenure of Mr. Varun Seth as Whole Time Director of the Company was valid till June 30, 2015. Hence, the Board of Directors of the Company, at its meeting held on May 27, 2015 passed the Board resolution, subject to the approval of shareholders at the ensuing General Meeting, to re-appoint him for a further period of three years with effect from July 01, 2015 to June 30, 2018.

Brief resume of Mr. Varun Seth, Whole Time Director proposed to be re-elected, is included in the Notice of 44th Annual General Meeting.

Company Secretary and Compliance Officer

During the year, Mrs. Deepika Sati, Company Secretary and Compliance Officer of the Company resigned from the Company and she was relived from services with effect from May 11, 2015.

Consequent to aforesaid resignation, with effect from July 1, 2015 the Board of Directors appointed Ms. Shilpa Verma as Company Secretary, and Compliance Officer of the Company.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an evaluation of its own performance as well as the evaluation of the working of its Audit Committee and

Nomination & Remuneration Committee.

A structured questionnaire was prepared after taking into consideration the inputs received from Directors, covering various aspects of the Board functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board and the Directors expressed their satisfaction with the evaluation process.

REMUNERATION POLICY

The Board has, on recommendation of the Nomination & Remuneration Committee, framed a policy for appointment and remuneration of Directors, Key Managerial Personnel (KMP) and other Employees. As part of the policy, the Company strives to ensure that:

a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

c) remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013 :

a) in the preparation of the annual financial statements for the year ended March 31, 2015, the applicable Accounting Standards had been followed along with proper explanation relating to material departures.

b) for the financial year ended March 31, 2015, such accounting policies as mentioned in the Notes to the financial statements have been applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company and of the Profit and Loss of the Company for the year ended March 31, 2015.

c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d) the annual financial statements have been prepared on a going concern basis.

e) that proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively.

f) that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively

AUDITORS

Statutory Audit

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 three years from the conclusion of that meeting till the conclusion of 46th Annual General Meeting, subject to the ratification by the members at every Annual General Meeting.

The Company has received confirmation from the Statutory Auditors regarding their consent and eligibility under Sections 139 and 141 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 for appointment as the Auditors of the Company.

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.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Board of Directors has appointed Ms. Shalu Singhal, (C.P. No. 12329) Practising Company Secretary, to conduct the Secretarial Audit of the Company for financial year ended March 31, 2015.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark and is attached in **Form MR-3 as Annexure I.**

SUBSIDIARY COMPANIES

The Company does not have any subsidiary.

DISCLOSURES

a) **Particulars of Loans, Guarantees and investments**: The Company has not given any Loans or Guarantees as covered under the provisions of section 186 of the Companies Act, 2013. However, the details of Investments made by the Company are contained in Note No. 13 to the Financial Statements.

b) **Transactions with Related Parties**: All related party

transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business.

There were no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large. Your attention is drawn to the related party disclosure set out in Note no. 40, 41, 42 & 43 of the financial statement.

c) **Deposits:** Since, April 1, 2014 the Company has not issued any Deposit Scheme for invitation or acceptance of Deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

As on April 1, 2015 all Deposits have been repaid by the Company to the Deposit Holders and any amount of Deposits, which remain unclaimed for a period of 7 years along with interest accrued thereon, have been deposited by the Company into the Investor Education and Protection Fund (IEPF). The declaration of same is also filed with the Registrar of Companies, NCT of Delhi and Haryana, in pursuance of the Companies (Acceptance of Deposits) Rules, 2014.

d) **Extract of Annual Return**: An extract of Annual Return in Form MGT-9 as required under Section 92(3) of the Act read with Companies (Management & Administration) Rules, 2014 is annexed as **Annexure-II** to this report.

e) **Sexual Harassment Policy** : The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year, the Company has not received any complaint of harassment.

f) **Regulatory Orders**: No significant or material orders were passed by the regulators or courts or tribunals which impact the going concern status and Company's operations in future.

CORPORATE GOVERNANCE AND POLICIES

Your Company is fully compliant with the Corporate Governance guidelines, as laid out in Clause 49 of the Listing Agreement and believes that good Corporate Governance is the basis of stakeholders' satisfaction and is thus, committed to attain the highest level of transparency, accountability and compliance of law in all facets of operations. A detailed report on Corporate Governance forms part of this Annual Report.

The Statutory Auditors of the Company have examined the requirements of Corporate Governance with reference to Clause 49 of the Listing Agreement and have certified the compliance, as required under Clause 49 of the Listing Agreement. The Certificate in this regard is attached as **Annexure-III** to this Report.

The Board has in accordance with the requirements of Companies Act, 2013 and Clause 49 of the Listing Agreement has adopted new policies and amended existing policies such as policy on Related Party Transaction, Code of Conduct for Directors and Senior Management and Whistle Blower/ Vigil Mechanism Policy.

Whistle Blower/ Vigil Mechanism Policy

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 49 of the Listing Agreement, the Board of Directors had approved the revised Policy on Whistle Blower/ Vigil Mechanism. This Policy inter-alia provides a direct access to the Chairman of the Audit Committee.

Your Company hereby affirms that no Director/Employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

Risk Management Policy

The Company has constituted a business risk management committee pursuant to section 134 (3) (n) of the Companies Act, 2013 & Clause 49 of the listing agreement. The details of the committee is set out in the Corporate Governance Report forming part of this Report

The Company is well aware of these risks and challenges and has put in place mechanisms to ensure they are managed and mitigated with adequate timely actions. At present, the Company has not identified any element of risk which may threaten the existence of the Company.

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

The particulars prescribed under Section 134 of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are furnished in **Annexure-IV** to this Report.

PARTICULARS OF EMPLOYEES

During the financial year ended March 31, 2015, 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.

MANAGEMENT DISCUSSION & ANALYSIS REPORTS

Cautionary Statement

Certain statements in this section may be forward looking and be based on expectations/ projections about the future. Company's actual results, performance could thus differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any of such forward looking statements on the basis of subsequent developments, information or events.

Industry Structure and Development

With launch of the 'Make in India' initiative, Mr. Narendra Modi, the Prime Minister of India, aims to give global recognition to the Indian economy and also place India on the world map as a manufacturing hub. India has also set for itself an ambitious target of increasing the contribution of manufacturing output to 25 per cent of gross domestic product (GDP) by 2025, from 16 per cent currently.

Currently, the Indian Plastics Industry is spread over across the country, employing about 4 million people and over 2,000 exporters. It operates more than 30,000 processing units, of which 85 per cent to 90 per cent are small and medium enterprises (SMEs).

Your Company is one of the leading manufacturers of PET bottles and containers since 1984 under the brand name *"PEARLPET"* with dominance in both household and retail segment. We believe in providing our customers the trendy, unique storage products which is adaptable to their needs.

We are proud to have bought a new thought process to the Indian kitchen by making the first safe, transparent, unbreakable, odorless plastic jars & bottles. Our products are made of virgin plastics which are universally approved by USFDA and other regulating bodies for Food, Beverage and Water storage. All *PEARLPET* products are fully recyclable and also marked with a recycling code to indicate the type of material used.

The production facilities, strategically placed at four locations namely Baddi, Pant Nagar, Mahad and Jigani are in close proximity to our diversified customer base.

Economic Scenario and Outlook

Plastic Industry is one of the most versatile and widely used product in the world. Many everyday products like food containers, synthetic fibres and almost all water plastic bottles are made from PET.

The usage of plastics cut across all sections of society. Due to its moulding capacity, versatility, non corrosive and moisture resistant properties, economic viability, easy process ability and also its attractiveness and durability in all weather conditions, it has become a material of universal choice, for the lower and middle class of population, it is an essential material.

A time has come when plastics industry has the capacity to influence the progress of all other sectors. Plastic industry is regarded as 'sunrise' industry due to its increasing versatility and worldwide demand.

Indian Plastics Processing Industry is an important segment of Indian industry which is making significant contribution to the economic development and growth of various key sectors in the country. However its usage in the country is 9.7 kgs per capita which is far below as compared to 109 kgs in USA and 45 kgs in China. The lower demand growth can be attributed to the fact that the Plastics sector in India has been hit by economic slowdown, deferment of capital expenditure by the government on infrastructure, currency volatility and liquidity crunch caused by higher interest rates

Opportunities and Challenges

Thus, the Plastic goods industry in India has bright prospects and there is a great scope of growth due to universal acceptability of these goods and their production & use will grow unhindered.

Plastic industry in India symbolizes a promising industry and at the same time helps in creating new employment opportunities for the people of India, creating millions of unskilled and semi-skilled jobs and change the export profile from raw materials to value added plastics products.

The plastics processing industry is a source of great potential for global businesses. There is tremendous scope for innovative technological up gradations and thus rapid growth of the sector. There are tremendous investment opportunities in plastic industry.

But the unprecedented growth in the use of plastics as a packing material has created a serious problem of solid waste disposal. Plastic is a non-biodegradable substance and creates problems of environmental pollution.

The industry however witnesses factors that pose a threat and restrain growth in the industry. The factors that need consideration are:

1) Recycling: The recycling of the used plastic material solves the problem of waste disposal, lessens the burden on raw materials, lightens the pressure on the biosphere and provides jobs to millions. It may be mentioned here that this process needs technological development and up gradation. It is estimated that about 60% of the plastics consumed in the Country are recycled. This rate needs to go up to 80%.

2) Inflation: the inflation rate in India was recorded at 5.01 percent in May of 2015. It is averaged at 8.51 percent from 2012 until 2015, reaching an all-time high of 11.16 percent in November of 2013 and a record low of 4.38 percent in November of 2014. Inflation rate impacts the price of plastic compounds and their usage in the industry.

3) Dumping of Products: China is seen as a threat by

other developing nations for a reason that certain goods are being sold at a price far below the price prevailing in the market on account of cheap labour and significant capacities.

The various other factors viz. high interest rate, volatile currency market, tough competition from big industrial group etc. may also pose serious concern on the profitability of the Company as a whole.

Segment Wise Performance

The Company has a single reportable segment i.e. Manufacture of PET bottles and jars etc. Therefore, segment-wise reporting is not applicable.

Risk Management

As every other business, your Company also has significant exposure to different types and levels of risk. However, the Company has a well-structured risk assessment and minimization mechanism, which is periodically reviewed by the Board of Directors. With thorough market understanding, strong marketing network, diverse and flexible manufacturing and technical expertise, your Company has been able to manage and withstand risks and concerns faced by the industry. However, if any, regulatory changes affect the usage of PET, your Company will be seriously impacted.

During the year under review, there was a fire at one of the Company's unit located at Mahad due to short circuit. The Company has filed insurance claim for loss of stocks, building, furniture & fixture and machinery.

Internal Control Systems and their Adequacy

The Company has engaged the services of an independent Chartered Accountant to carry out the internal audit and ensure that recording and reporting are adequate and proper, the internal controls exist in the system and that sufficient measures are taken to update the internal control system. The system also ensures that all transactions are appropriately authorized, recorded and reported. Exercises for safeguarding assets and protection against unauthorized use are undertaken from time to time.

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, the prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

Human Resource and Industrial Relations

Industrial relation is a multidisciplinary field that studies the employment relationship. Your Company recognizes the importance of human value and ensures that proper encouragement both moral and financial is extended to employees to motivate them. Your Company has provided rent free accommodation to all its staff and workers adjacent to the factory premises of the Company. As on March 31, 2015, 532 numbers of employees were on Company's Roll.

During the year under review, your Company enjoyed cordial relationship with workers and employees at all level.

Acknowledgement

The Directors wish to express their appreciation for the continued co-operation of the Central and State Governments, bankers, financial institutions, customers, dealers and suppliers and all the shareholders. The Directors also wish to thank all the employees for their contribution, support and continued co-operation throughout the year.

On Behalf of the Board of Directors

Pearl Polymers Limited

Chand Seth

Chairman & Managing Director

Date: August 12, 2015

Place: New Delhi

Form No. MR-3 **Annexure-I**

SECRETARIAL AUDIT REPORT

For The Financial Year Ended On March 31, 2015

(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014)

To,

The Members,
PEARL POLYMERS LIMITED
A-97/2, Okhla Industrial Area, Phase II
New Delhi-110020

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **M/s PEARL POLYMERS LIMITED (CIN No. L25209DL1971PLC005535)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015 complied with all statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for financial year ended on 31st March, 2015 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings- ***This Act is not applicable to the Company.***

(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;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009- ***Not applicable as the Company did not issue any security during the financial period under review.***

d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999- ***Not applicable as the Company has not granted any options to its employees during the financial period under review.***

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- ***Not applicable as the Company has not issued any debt securities during the financial period under review.***

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 as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial period under review.***

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- ***Not applicable as the Company has not delisted its equity shares from any Stock Exchanges during the financial year under review and***

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- ***Not applicable as the Company has not bought back any of its securities during the financial year under review.***

(vi) Other laws which are specifically applicable to the Company are as following :

a) The Contract Labour (Regulation & Abolition) Act, 1970

b) Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959

c) The Factories Act, 1948

d) The Employees State Insurance Act, 1948

e) The Minimum Wages Act, 1948

f) The Bonus Act, 1965

g) The Legal Metrology Act, 2009

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

(i) Secretarial Standard on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India was not applicable on the Company during the financial year under review since these standards came into effect from 1st 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 Bombay Stock Exchange (Scrip Code : 523260).

We 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 of the Members.
4. 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.

We were further informed that following events were occurred during period under review in respect of which the Company has made proper compliances under the Companies Act, 2013 and the Rules made thereunder.

1. The Company has appointed Mr. Ramesh Mehra, an existing Independent Director of the Company, as the Whole Time Director of Company at a remuneration not exceeding Rs.18, 00,000/- per annum (Rupees Eighteen Lacs Only).
2. The Company has reappointed Mr. Chand Seth as Chairman and Managing Director for a further period of 3 years w.e.f. 1st April, 2014 at a remuneration not exceeding Rs. 4,50,000 p.m. (Rupees Four Lacs Fifty Thousand Only) with a revision in his terms of appointment.
3. The Company has taken Inter Corporate Deposits as per the Companies Act, 2013 and relevant rules made there under.

We further report that during the financial year under review no specific actions were taken by the Company which has major bearing on the Company's affairs.

For Shalu Singhal & Associates
Company Secretaries
(Shalu Singhal)
Proprietor
CP No. 12329

Place: New Delhi
Date: May 25, 2015

Annexure-II

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on March 31, 2015

[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 April 1, 2014]				No. of Shares held at the end of the year[As on March 31, 2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	3452638	0	3452638	20.51	3452638	0	3452638	20.51	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	5703165	0	5703165	33.88	5614203	0	5614203	33.35	0.53
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub Total (A)(1):	9155803	0	9155803	54.39	9066841	0	9066841	53.86	0.53
(2) Foreign									

a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/ FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	**9155803**	**0**	**9155803**	**54.39**	**9066841**	**0**	**9066841**	**53.86**	**0.53**
B. Public Shareholding									
1)Institutions									
a) Mutual Funds	0	5410	5410	0.03	0	5410	5410	0.03	0
b) Banks / FI	300	160	460	0.01	300	160	460	0.01	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	670162	0	670162	3.98	670162	0	670162	3.98	0
g) FIIs	0	8700	8700	0.05	0	8700	8700	0.05	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	670462	14270	684732	4.07	670462	14270	684732	4.07	0
2) Non-Institutions									
a) Bodies Corporate									
i) Indian	1511729	23451	1535180	9.12	1756958	22551	1779509	10.57	1.45
ii) Overseas	0	0	0	0	0	0	0	0	
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	1480178	844988	2325166	13.81	1309595	832346	2141941	12.72	1.09
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2774102	94550	2868652	17.04	2776302	94550	2870852	17.05	0.01
c) Others (specify)	0	0	0	0	0	0	0	0	0
Non Resident Indians/ Overseas Corporate Bodies	21688	203600	225288	1.34	21833	203600	225433	1.34	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	40111	0	40111	0.24	65624	0	65624	0.39	0.15
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	5827808	1166589	6994397	41.54	5930312	1153047	7083359	42.07	0.53
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**6498270**	**1180859**	**7679129**	**45.61**	**6600774**	**1167317**	**7768091**	**46.14**	**0.53**
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	-
Grand Total (A+B+C)	**15654073**	**1180859**	**16834932**	**100**	**15667615**	**1167317**	**16834932**	**100**	**-**

b) Shareholding of Promoter (including Promoter Group)

S. No.	Name of the Shareholder	No. of Shares held						% change in shareholding during the year
		Beginning of the year (April 1, 2014)			End of the year (March 31, 2015)			
		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	0	1	0	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	Aashray Portfolio Pvt. Ltd	242962	1.44	0	0	0	0	(1.44)
15	Pearl Flats (India) Limited	0	0	0	154000	0.91	0	0.91

c) Change In Promoter's Shareholding

Name of the Shareholder	Shareholding at the beginning of the Year (April 1, 2014)		Cumulative Shareholding during the year (April 1, 2014 to March 31, 2015)		% Change in Shareh olding 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	1	0	Nil
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
Aashray Portfolio Private Limited	242962	1.44	0	0	(1.44)
Pearl Flats (India) Limited	0	0	154000	0.91	0.91

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

Name of the Shareholder	Shareholding at the beginning of the Year (April 1, 2014)		Cumulative Shareholding during the year (April 1, 2014 to March 31, 2015)		% Change in Shareholding during the year
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
Delhi Iron and Steel Co Pvt Ltd	451035	2.68	466335	2.77	0.09
Life Insurance Corportaion of India	655012	3.89	655012	3.89	0
Ashari Agencies Ltd.	687151	4.08	690151	4.10	0.02
Vijay Kumar Aggarwal	602863	3.58	602863	3.58	0
Reena Khandelwal	344000	2.04	344000	2.04	0
Namrata Khandelwal	300000	1.78	300000	1.78	0
Taruna Seth	333279	1.98	175984	1.05	(0.93)
Deepak Seth	324000	1.93	324000	1.93	0
Chainroop Surajmal Dugar	382394	2.27	429101	2.55	0.28
Sanchay Fincom Ltd	106221	0.63	106221	0.63	0

e) **Shareholding of Directors and Key Managerial Personnel:**

S.No.	Name of the Shareholder	Shareholding at the beginning of the Year (April 1, 2014)		Cumulative Shareholding during the year (April 1, 2014 to March 31, 2015)	
		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	Mr. Rajesh Mehra	0	0	0	0
5	Ms. Shilpa Verma	0	0	0	0

V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ Accured but not due for payment

(Amount in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	271,682,079	24,421,515	88,268,500	384,372,094
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	368,201	-	-	368,201
Total (i+ii+iii)	**272,050,280**	**24,421,515**	**88,268,500**	**384,740,295**

Change in Indebtedness during the financial year				
-Addition	51,582,482	15,108,842	-	66,691,324
-Reduction	28,895,570	9,750,000	87,912,500	126,558,070
Net Change	**22,686,912**	**5,358,842**	**(87,912,500)**	**(59,866,746)**
Indebtedness at the end of the financial year				
i) Principal Amount	293,671,196	29,780,357	356,000	323,807,553
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,065,997	-	-	1,065,997
Total (i+ii+iii)	**294,737,193**	**29,780,357**	**356,000**	**324,873,550**

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

(Rs. In Lacs)

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	30.37	8.05
b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	21.60	4.55	2.40
c)	Profits in lieu of salary under section 17(3) 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	34.92	10.45
	Ceiling as per the Act	54.00	42.00	18.00

*Note: The above remuneration does not include contribution made to provident fund calculated as per Income Tax Rules.
#The Remuneration paid to Mr. Ramesh Mehra was only for a period of 7 month, since on September 01, 2014,The Board has appointed him as Whole Time Director.

b) Remuneration to Non Executive and Independent Directors

(Rs. In Lacs)

S. No.	Particulars of Remuneration	Name of the Independent Director			Total
		Ms. Meera Johri	Mr. Ravi Kumar Mehra	Mr. Ashish Harish Bhuva	
		Independent Director	Independent Director	Independent Director	
a)	Fees for attending Board Committee Meetings	0.10	0.20	0	0.30
b)	Commission	0	0	0	0
c)	Others, pls specify	0	0	0	0

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

(Rs. in Lacs)

S. No.	Particulars of Remuneration	Key Managerial Personnel	
	Name & Designation	Mrs. Deepika Sati*	Mr. Rajesh Mehra
		Company Secretary	(CFO)
1	Gross Salary		
a)	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7.06	13.31
b)	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0.22
c)	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
5	Others, please specify	-	-
	Total	7.06	13.53

* Ms. Shilpa Verma has been appointed by the Board w.e.f. 1st July, 2015 as the Company Secretary of the Company and the above information relates to the financial year 2014-15, so the details of remuneration of Mrs. Deepika Sati is provided.

VII. PENALTIES/ PUNISHMENTS/COMPOUNDING OF OFFENCES

There were no penalties/punishments/compounding of offences for the year ended March 31, 2015

Annexure-III

AUDITORS' COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Pearl Polymers Limited

We have examined the compliance of conditions of Corporate Governance by Pearl Polymers Limited for the year ended on March 31, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with the National Stock Exchange of India Limited and Bombay Stock Exchange Limited.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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 Regn No. 003330N)

Naresh Khanna

Partner

Membership No. 081482

Place: New Delhi

Date: July 22, 2015

Annexure-IV

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

A. Conservation of Energy

i) Steps taken or impact on conservation of energy;

Energy conservation has been given top most priority in our organization. Energy conservation is a continuous process and we are encouraging our factories & offices to use green energy as far as possible. In our efforts to make our production facilities more energy efficient, following steps have been initiated during the year under review.

- We have invested into various mould for making our machines capable of blowing products on smaller more energy efficient machines which were earlier made of old high power consuming bigger machines.
- We have installed automatic DG performance monitoring system at our Baddi unit, this system enable us to operate our generators on optimum loads & saves wastage of costly fuels.
- We are looking in to possibility of using solar energy for lighting up our production facilities, we have approached few solar power generation agencies in this regard.
- All HP & LP compressor lines at all units have been provided with alarm systems which automatically send compressors in standby mode whenever consumption at shop floor is low.

ii) Steps taken by the Company for utilizing alternate sources of energy;

We are focusing on renewable energy resources such as Solar, Geothermal etc. In first phase we are working on utilizing solar energy for lightening of our offices. We have taken offers from various parties working in the field of solar energy for this purpose.

Talks with experts in the field of geothermal energy are also on for using this technology for cooling our production facilities at Pantnagar & Baddi.

iii) Capital investment on energy conservation equipments;

We have installed LOUDCELL-iFMS fuel management system on DG sets at our Baddi unit. It is an Intelligent and highly integrated fuel tracking and management platform for power generators.

For benchmarking energy efficiencies of our units an energy audit has been carried out by M/S Great Lakes Institute of Energy Management & Research, at our Baddi unit. Suggestion from auditing firm has been implemented to make our operations more energy efficient.

B. TECHNOLOGY ABSORPTION

i) Efforts made towards technology absorption;

We are working on concept of automation for reducing our production costs, we have invested in online carton printing machines, Collating machines, automated shrink tunnels, Labeling machine & conveyors etc

ii) Benefits derived like product improvement, cost reduction, product development or import substitution;

Apart from reduction in cost as mentioned above, measures have been resulted into remarkable improvement in over-all quality of our products & productivity by installing these new machines.

iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

a) the details of technology Imported

We are working on using 'Tritan' material (A specialty grade Polyester) for making high end products for Indian market. The concept of bottles, jars & containers is very new in Indian market & has immense potential for growth.

b) the year of import; 2014- 2015

c) whether the technology been fully absorbed;

We have taken trials with this super specialty material & necessary tooling has also been developed.

iv) Research And Development

We have invested in new machines, moulds & other utility equipments to enhance our production capabilities. All this exercise has been carried out to improve our **customer satisfaction level**, which is our prime motive.

By installing high productivity energy efficient machines & utility equipments, we have reduced our rejection levels significantly along with enhancement of 'Brand Image' & market presence.

Foreign Exchange Earnings and Outgo

(Rs. in Lacs)

PARTICULARS	For the Year Ended March 31, 2015	For the Year Ended March 31, 2014
Foreign Exchange Earnings (FOB Basis)		
Export of finished goods	19.85	50.82
Export of capital goods	-	20.53
Foreign Exchange Outgo (On FOB Basis)		
Raw Material	2840.02	21.55
Capital Goods	271.49	3.61
Travelling & Others	5.43	8.86

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance essentially involves balancing the interests of all stakeholders of the Company viz. its shareholders, management, customers, suppliers, financiers, government and the community.

Pearl Polymers Limited (PPL) aims at not only its own growth but also maximization of benefits to all its stakeholders and also the general public at large. For this purpose the Company continuously strives to improve its level of overall efficiency through good Corporate Governance, which envisages transparency, professionalism and accountability in all its operations.

SEBI vide its circular No. CIR/CFD/POLICY CELL/2/2014 dated 17 April 2014 and as subsequently amended by circular dated 15 September 2014 notified the revised clause 49 of the Listing Agreement which became applicable with effect from 1 October 2014.

This Report, therefore states compliance as per requirements of the Companies Act, 2013, revised clause 49 of the Listing Agreement.

BOARD OF DIRECTORS

The Company is fully compliant with the Corporate Governance norms in terms of constitution of the Board of Directors ("the Board"). The Board of the Company is comprised of eminent individuals from diverse fields. The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors with one Woman Director on the Board as per the requirement of section 149 of the Companies Act, 2013 ("the Act") and Revised Clause 49 (II) of the Listing Agreement.

a) Composition of the Board of Directors

As on March 31, 2015, the Board of Directors of the Company ('the Board') comprised of Six (6) Directors out of which three (3) were Non-executive Independent Directors, with Mr. Chand Seth as Executive Chairman. The Company has one woman Director on its Board.

The names and categories of the Directors on the Board with their attendance at the last Annual General Meeting and as also the number of Directorships and Committee positions held by them in other companies as on March 31, 2015 are given below :

Name of the Director	Designation	[3]No. of other Directorships as on 31.03.2015	[4]No. of other Committee positions held as on 31.3.2015		Attendance at the 43rd Annual General Meeting
			Chairman	Member	
Executive Directors					
Mr. Chand Seth	Chairman & Managing Director	4	-	1	Yes
Mr. Varun Seth	Whole Time Director	2	-	1	Yes
Mr. Ramesh Mehra[1]	Whole Time Director	3	-	1	No
Non Executive Directors					
Ms. Meera Johri	Independent Director	-	1	1	No
Mr. Ravi Kumar Mehra	Independent Director	-	1	1	Yes
Mr. Ashish Harish Bhuva[2]	Independent Director	2	-	-	No

[1]Mr. Ramesh Mehra has been on the Board of directors of the Company as a Non Executive and Independent Director since October 31, 2000. Considering the knowledge and expertise of Mr. Ramesh Mehra, the Board of directors has appointed him as a Whole Time Director (Executive Director) with effect from September 1, 2014.

[2] The Board of Directors has appointed Mr. Ashish Harish Bhuva as a Non-Executive & Independent Director w.e.f. September 01, 2014, so as to have the optimum combination of Executive and Non Executive Independent Director on the Board of Company .

Note:

[3]The Directorships held by Directors as mentioned above do not include Directorships in Foreign Companies, Companies registered under section 8 of the Companies Act, 2013 and Private Limited Companies.

[4]In accordance with Clause 49 of the Listing Agreement, Membership and Chairmanship of only Audit Committee and Stakeholder's Relationship Committee in all Public Limited Companies, whether listed or not, including Pearl Polymers Limited have been considered.

b) Independent Directors

The Independent Directors appointed by the Company are renowned people having expertise/experience in their respective field/profession. None of the Independent Directors are Promoters or related to Promoters. They do not have pecuniary relationship with the Company and further do not hold any shares in the Company.

Every Independent Director signs a declaration to confirm that they fulfill all the conditions for being an Independent Director as laid down under section 149 (6) of the Companies Act, 2013, read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Revised Clause 49 of the Listing Agreement. All Independent Directors maintain their limits of directorships as required under Clause 49 of the Listing Agreement.

Meeting of Independent Directors

In compliance with Schedule IV to the Companies Act, 2013 and revised clause 49 of Listing Agreement, the Independent Directors held their separate meeting on February 13, 2015 without the attendance of Non-Independent Directors and members of management, inter alia, to discuss the quality, quantity and timeliness of flow of information between the management and the Board.

The majority of Independent Director was present at the meeting, deliberated on the above and expressed their satisfaction.

c) Non-Executive Directors' Compensation and Disclosures

All fees paid to Non-Executive and Independent Directors are fixed by the Board which is within the Limits as provided under the Companies Act 2013 read with the rules there made thereunder.

d) Review of Legal Compliance Reports

During the year, the Board periodically reviewed the Statutory Compliance Report on all laws, rules, and regulations applicable to the Company. This was also placed before the Management along with the certificates of compliance duly signed by the respective Heads of departments, on quarterly basis.

e) Code of Conduct

The Company pursuant to erstwhile clause 49, already had a Code of Conduct for Directors and members of Senior Management. However as required under Revised Clause 49 of the Listing Agreement the Board of Directors at its meeting held on May 27, 2015 has adopted a revised Code of Conduct for the members of the Board, Committee and employees working at the senior level of respective Departments and also for Independent Directors.

The said code of conduct is also displayed on the Company's website (www.pearlpet.net).

All Directors and Senior Management personnel have affirmed compliance with the new code for 2014-15. A declaration to this effect signed by Mr. Chand Seth, Chairman & Managing Director is given in this Annual Report.

f) Code of Conduct for Prohibition of Insider Trading

Your Company has adopted a Code of Conduct for Prevention of Insider Trading as well as a Code of Fair Disclosures Practices as per SEBI (Prohibition of Insider Trading) Regulations, 2015. All the Directors on the Board, Designated Employees who could have access to the Unpublished Price Sensitive Information of the Company are governed by this Code.

g) Board Meetings

During the financial year 2014-15, the Board of Directors held Four (4) meetings on May 26, 2014; August 12, 2014; November 13, 2014 and February 13, 2015. The maximum time gap between any two meetings did not exceed more than 120 days as stipulated under Revised Clause 49 of the Listing Agreement.

The details of Board meetings held during the financial year and number of Directors present are as following:

S.No.	Date of Board Meeting	Total Strength of Board	Number of Directors Present
1	May 26, 2014	6	4
2	August 12, 2014	5	4
3	November 13,2014	6	3
4	February 13, 2015	6	5

h) Agenda Papers distributed in advanced

To enable the Board to perform its responsibilities effectively and take informed decisions agenda and notes on Agenda are circulated among the Directors, well in advance, in a structured format. All material information are incorporated in the agenda papers to facilitate focused and meaningful discussion at the meeting,

During the year under review, none of the Directors of the Company was a member of more than 10 specified Committees or Chairman of more than 5 such Committees in companies in which he/she was a Director. The necessary disclosures regarding Committee positions have also been made by the Directors.

I) Presentation by the Management

Before putting on record the quarterly/ annual financial results of the Company, a presentation is made before the Board on operations of the Company including the performance of major brands, initiatives taken for sales and all other matters having impact on the business of the Company.

j) Familiarisation Programme for Independent Directors

Your Company follows a structured orientation and Familiarisation Programme through various reports/codes/internal policies for all the Directors with a view to update them on the Company's policies and procedures on a regular basis. Such information enables the Independent Directors to get familiarized with the Company's operations and the industry at large.

The relevant statutory updates are circulated to them from time to time to help the Directors make better and informed decisions.

k) Whistle Blower Policy

Your Company has established a Vigil Mechanism/ Whistle Blower Policy to enable stakeholders (including Directors and employees) to report unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides adequate safeguards against victimization of Director(s)/ employee(s) and direct access to the Chairman of the Audit Committee in exceptional cases.

Your Company hereby affirms that no Director/ employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year. The Whistle Blower Policy has been disclosed on the Company's website.

BOARD COMMITTEES

In accordance with the provision of the Companies Act, 2013 and revised clause 49 of the Listing Agreement and also with an objective to have a more focused attention on various facets of business, better accountability and ensuring compliances, the Board has constituted the following Committees:

a) Audit Committee

b) Nomination and Remuneration Committee

c) Stakeholders' Relationship Committee

d) Finance Committee

e) Risk Management Committee

a) Audit Committee

The Audit Committee acts as a link between the management, external and internal auditors. The Board of Directors of the Company is responsible for overseeing the Company's financial reporting process by providing direction to audit committee for monitoring the scope and quality of internal and statutory audits.

Composition, Meetings and Attendance

The Audit Committee met Four times on May 26, 2014; August 12, 2014; November 13, 2014 and February 13, 2015 and the maximum time gap between any two meetings did not exceed more than 120 days.

The composition of the Audit Committee and attendance of the members at the meeting:

Name of the Member	Designation	Category of Director	Number of Meetings Attended
Mr. Ravi Kumar Mehra	Chairman	Non Executive and Independent	4/4
Ms. Meera Johri	Member	Non Executive and Independent	4/4
Mr. Varun Seth	Member	Executive	3/4
*Mr. Ramesh Mehra	Member	Non Executive and Independent	0/2

*Since Mr. Ramesh Mehra ceased to be a Non Executive and Independent Director of the Company with effect from September 1, 2014, accordingly he also ceased to be a member of Audit Committee. So the Board of Directors at its meeting held on November 13, 2014, re-constituted the Audit committee in compliance of Companies Act, 2013 and revised Clause 49 of the Listing Agreement.

All members of the Committee are professionals and financially literate. The Company Secretary acts as the Secretary to the Audit Committee. Mr. Ravi Kumar Mehra, Chairman of Audit Committee was present at the last Annual General Meeting of the Company held on September 29, 2014.

Brief Terms of Reference

The Audit Committee also looks into the matters as are specifically referred to it by the Board of Directors besides looking into the mandatory requirements of the Listing Agreement and provisions of Section 177 of the Companies Act, 2013.

Financials

- Review of the quarterly/half-yearly/annual financial statements with reference to changes, if any in accounting policies and reasons for the same.
- Major accounting entries involving estimates based on exercise of judgment by management, adjustments, if any arising out of audit findings.

Internal controls and risk management

- Review of internal audit function and discussion on internal audit reports.
- Review of vigil mechanism and above all adequacy of internal control systems.
- Review of risk management policies especially enterprise level risk management.

Compliance and other related aspects

- Disclosure of related party transactions and subsequent modifications, if any.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the company.
- Uses/application of funds raised through an issue.
- Review and recommendation of appointment, remuneration and terms of appointment of statutory auditors.
- Review of other services rendered by the statutory auditors.
- Review of the management discussion and analysis of the financial conditions and results of operations, significant related party transactions, management letters issued by statutory auditors, internal auditors.

b) Nomination and Remuneration Committee

The Board of Directors at its meeting held on May 26, 2014 changed the nomenclature of the Committee to "Nomination and Remuneration Committee" to align it with the scope of functions in terms of section 178 of the Companies Act, 2013.

Composition, Meetings and Attendance

During the Financial Year 2014-15, there was no appointment or increase in remuneration of Director so the Committee did not convene any meeting.

Name of the Member	Designation	Category of Director
Mr. Ravi Kumar Mehra	Chairman	Non-Executive & Independent
Ms. Meera Johri	Member	Non-Executive & Independent
*Mr. Ramesh Mehra	Member	Non-Executive & Independent
#Mr. Ashish Harish Bhuva	Member	Non-Executive & Independent

*Since Mr. Ramesh Mehra ceased to be a Non Executive and Independent Director of the Company with effect from September 1, 2014, accordingly he also ceased to be a member of Nomination and Remuneration Committee.

#The Board of Directors at its meeting held on November 13, 2014, re-constituted the committee by inducting Mr. Ashish Harish Bhuva, Non Executive Independent Director as Member of the Committee in compliance of Companies Act, 2013 and revised Clause 49 of the Listing Agreement.

Brief Terms of Reference

The terms of reference of the Nomination and Remuneration committee include the matters specified under Sub-clauses B of Clause 49 IV of the Listing Agreement as well as Section 178 of the Companies Act, 2013 read with Companies (Meeting of Board and its Power) Rules, 2014. The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The remuneration policy is in consonance with the existing Industry practice.

Remuneration Policy

a) Executive Directors

The members of the Nomination and Remuneration Committee take into account the experience, qualification and prevailing industry practices before giving its recommendations for appraisal to the Board. The Board based on the recommendations decides the quantum of remuneration to be paid to Executive Directors, subject to the approval of Members of the Company in accordance with the provision of the Companies Act, 2013.

The details of the remuneration, allowances and perquisites paid to the Executive Directors during the Financial Year 2014-15, are given herein below:

(Rs. in Lacs)

Name of the Director	Salary	Allowance& Perquisites	P.F Contribution/ Superannuation	Total
Executive Directors				
Mr. Chand Seth	32.40	21.60	3.88	57.89
Mr. Varun Seth	20.25	14.68	5.47	40.40
*Mr. Ramesh Mehra	8.05	2.40	0	10.45

* Mr. Ramesh Mehra, was appointed as Whole Time Director w.e.f September 1, 2014 so salary paid to him is only for a period of 7 months.

b) Non Executive Directors

The Non Executive Directors bring with them, significant professional expertise and substantial benefits through their rich experience in different fields. Their experience and knowledge safeguard the interest of investors by exercising an appropriate role of control at various committees of the Board i.e. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee.

The Non Executive Directors are paid sitting fees for attending the meetings of the Board which is within the limits as prescribed under the Companies Act, 2013.

Performance Evaluation of Independent Directors

The Nomination and Remuneration Committee of the Board laid down the criteria for performance evaluation of Independent Directors. The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated. The main criteria that were considered for performance evaluation of the Directors are role, accountability, objectivity, leadership, initiative and personal attributes of the Director being evaluated.

c) Stakeholders' Relationship Committee

The Board of Directors at its meeting held on May 26, 2014, changed the nomenclature of this Committee to "Stakeholders Relationship Committee" to align with the scope of the section 178 of the Companies Act, 2013 and revised clause 49 of the Listing Agreement.

Composition, Meetings and Attendance

The Stakeholder's Relationship Committee met Four times on May 26, 2014; August 12, 2014; November 13, 2014 and February 13, 2015 and the maximum time gap between any two meetings did not exceed more than 120 days.

The composition of the Committee and attendance of the members at the meeting:

Name of the Member	Designation	Category of Director	No. of Meetings Attended
Ms. Meera Johri	Chairman	Non Executive and Independent	4/4
Mr. Ravi Kumar Mehra	Member	Non Executive and Independent	4/4
Mr. Chand Seth	Member	Executive	4/4
Mr. Ramesh Mehra	Member	Executive	1/4

Brief Terms of Reference:

The terms of reference of the Stakeholder's Relationship Committee include the matters specified under Sub-clauses E of Clause 49 VIII of the Listing Agreement as well as Section 178 of the Companies Act, 2013 read with Companies (Meeting of Board and its Power) Rules, 2014, which inter alia includes:

a) To look into the redressal of complaints of security holders on matters relating to transfer of shares, dematerialisation of shares, non-receipt of annual report, non-receipt of dividend, matters relating to issue of new share certificates etc.

b) To look into matters that can facilitate better security-holders services and relations.

Details of Complaints and Other Correspondence

S. No.	Nature of Query/Complaint	Received (Nos.)	Resolve (Nos.)	Pending (Nos.)
1	Request for change of address	07	07	Nil
2	Request for duplicate shares/ splitting/ consolidation of share certificates	03	03	Nil
3	Request for dematerialization/ rematerialization of shares	77	77	Nil
4	Request for share transfer/ share transmission	25	25	Nil
5	Complaints from Stock Exchanges/ SEBI/ Depositories	02	02	Nil
6	Misc. requests including redemption of debentures, unclaimed dividend, annual reports etc.	35	35	Nil

The Company addresses all complaints, suggestions, and grievances expeditiously and replies have been sent/issues are resolved usually within 15 days from the date of receipt, subject to the accuracy of requisite documents and information.

d) Finance Committee

In addition to the above Committees, the Board of Directors of the Company has also a Committee known as the *"Finance Committee"* specifically to review/make banking arrangements; to approve short term and long term investments; to arrange on lease or hire purchase any asset for the purpose of the Company; to approve transfers/transmission of shares, 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, Meeting and Attendance

The said Committee comprised of Mr. Chand Seth as its Chairman, Mr. Varun Seth and Mr. Ramesh Mehra as it Members. The Committee meets fortnightly to approve share transfers/transmission and consider such other matters as may be delegated by the Board from time to time and at such other times, when it is considered necessary to transact any important business.

e) Risk management Committee

Your Company already had laid down procedures to inform Board members about risk assessment and minimization and has implemented the Risk Management plan and continuously monitors it.

However, with the requirement of revised clause 49 of the Listing Agreement, the Board of Directors at its meeting held on November 13, 2014 constituted a Risk Management Committee (Non–Mandatory) which ensures that the Company has an appropriate and effective Enterprise Risk Management system with appropriate policies and processes which carries out risk assessment and ensures that risk mitigation plans are in place by validating the same at regular intervals.

Composition, Meeting and Attendance

The risk management committee comprised of Three (3) Members namely, Mr. Chand Seth as the Chairman of the committee, Mr. Varun Seth and Ravi Kumar Mehra as the Member of the Committee.

DISCLOSURES

i) Related Party Transactions

All related party transactions (RPTs) which were entered into during the financial year were on arm's length basis and were in the ordinary course of business but not material RPTs as mentioned under Companies Act, 2013 and clause 49 of the Listing Agreement.

During the year 2014-15, as required under section 177 of the Companies Act, 2013 and clause 49 of the Listing Agreement, all RPTs were placed before Audit Committee for prior approval. A summary statement of transactions with related parties was placed periodically before the Audit Committee during the year.

A statement showing the disclosure of transactions with related parties as required under Accounting Standard 18 is disclosed in Note No. 40, 41 ,42 & 43 of the financial statement attached to and forming part of the Accounts.

ii) Disclosure of Accounting Standards

In the preparation of financial statements there is no deviation from the prescribed Accounting Standards.

iii) Details of Non-Compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

There has been no instance of non-compliance by the Company on any matter related to capital markets during last three years, and hence, no penalties or strictures have been imposed on the Company by Stock Exchanges, SEBI or any other statutory authority.

iv) Risk Management

Your Company has a comprehensive risk management policy and has also constituted a Risk Management Committee in compliance with Clause 49 of the Listing Agreement and the Companies Act, 2013. Your Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls the risks through properly defined framework.

v) Proceeds from Public issues, right issues, and preferential issues among others.

The Company did not have any of the above issues during the year under review.

vi) Management Discussion and Analysis Report.

The Company's Annual Report has a separate section for detailed Management Discussion and Analysis.

vii) CEO/CFO Certification

Mr. Chand Seth, Chairman & Managing Director and Mr. Rajesh Mehra, Chief Financial Officer (CFO) have furnished the requisite certificate to the Board of Directors confirming that the financial statements present true and fair view of the Company's affairs and are in compliance with the existing Accounting Standards and other applicable laws & regulations.

A copy of the said certificate forms part of this Annual Report.

viii) Change in Compliance Officer

Mrs. Deepika Sati, Company Secretary and Compliance Officer of the Company had resigned with effect from 11th May, 2015 and in her place Ms. Shilpa Verma has been appointed as Company Secretary and Compliance Officer of the Company with effect from 1st July, 2015.

GENERAL INFORMATION

a) General Body Meetings

Annual General Meetings held during the last 3 years:

Year	Location	Date and Time
41st AGM-2012	PHD Chamber of Commerce & Industry (Modi Hall), PHD House 4/2, Siri Institutional Area, August Kranti Marg, New Delhi – 110016	Sep 20, 2012 11:30 A.M.
42nd AGM-2013	A-97/2, Okhla Industrial Area, Phase-II, New Delhi – 110 020	Sep 23, 2013 11:30 A.M.
43rd AGM-2014	A-97/2, Okhla Industrial Area, Phase-II, New Delhi – 110 020	Sep 29, 2014 11:30 A.M.

- The Chairman of the Audit Committee was present at all the above AGMs.
- No EGM was held in the last previous year.
- During the financial year 2014-15, no Postal Ballot was conducted.
- None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through postal ballot

Special Resolutions passed at the Last 3 AGMs:

Financial year	No. of Special Resolution(s) Passed	Purpose
2011-12	One	Reappointment of Mr. Varun Seth as Whole Time Director and Remuneration payable to him.
2012-13	One	Alteration in the Articles of Association of the Company.
2013-14	Three	a) Re-appointment 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.

MEANS OF COMMUNICATION

i) **Quarterly/ Annual results:** Results were published in one leading national (English) business newspaper "Financial Express" and in one vernacular (Hindi) newspaper i.e "Hari Bhoomi". The quarterly results and presentations are also displayed on the Company's website www.pearlpet.net.

ii) **Website:** The Company's website contains a dedicated section "Investor" which displays details / information of interest to various stakeholders, including press releases.

GENERAL SHAREHOLDERS' INFORMATION

44th Annual General Meeting	
Day, Date and Time	Wednesday, September 30, 2015 at 11:30 A.M.
Venue	A-97/2, Okhla Industrial Area, Phase - II, New Delhi – 110020
Book Closure	September 25, 2015 to September 30, 2015 (Both Days Inclusive)
Dividend Payment Date	N.A.
Financial year	The financial year under review was from April 1, 2014 to March 31, 2015. The next financial year is from April 1, 2015 to March 31, 2016.

Financial Calendar (Tentative)

Results for the Quarter ending	Audited/Un-audited	Tentative date of reporting
June 30, 2015	Un-audited	On or before August 14, 2015
September 30, 2015	Un-audited	On or before November 14, 2015
December 31, 2015	Un-audited	On or before February 14, 2016
March 31, 2016	Audited	On or before May 30, 2016

Listing on Stock Exchanges

S. No.	Stock Exchanges	Stock Code	Equity ISIN
1.	BSE Limited (BSE)	523260	INE844A01013
2.	National Stock Exchange of India Ltd. (NSE)	PEARLPOLY	

Payment of Listing Fees:

The Company has made the payment of Listing Fees for financial year 2014-15.

Payment of Depository Fees

The Company has made the payment of Annual Custody fees for the financial year 2014-15 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

MARKET INFORMATION

Monthly high, low and close price of shares traded at the Bombay Stock Exchange Ltd. (BSE) and the National Stock Exchange of India Ltd. (NSE) for the financial year 2014-15 are as follows:

(In Rs.)

Month/ Year	NSE				BSE			
	Share Price			CNX Nifty	Share Price			Sensex
	High Price	Low Price	Close Price	Close Price	High Price	Low Price	Close Price	Close Price
Apr' 14	14.05	6.70	13.65	6696.40	14.38	6.66	13.14	22417.80
May' 14	14.75	12.10	12.55	7229.95	14.70	11.83	11.83	24217.34
Jun' 14	13.75	10.00	10.75	7611.35	13.65	10.05	11.34	25413.78

(In Rs.)

Month/ Year	NSE				BSE			
	Share Price			CNX Nifty	Share Price			Sensex
	High Price	Low Price	Close Price	Close Price	High Price	Low Price	Close Price	Close Price
Jul' 14	14.90	11.00	11.95	7721.30	16.00	11.43	11.50	25894.97
Aug' 14	12.00	10.00	12.00	7954.35	12.06	10.05	11.30	26638.11
Sep' 14	14.80	10.30	12.50	7964.80	14.85	10.65	13.50	26630.51
Oct' 14	17.05	11.00	17.05	8322.20	17.20	11.40	17.20	27865.83
Nov' 14	17.90	14.50	15.70	8588.25	17.85	13.85	15.45	28693.99
Dec' 14	19.65	14.80	16.00	8282.70	19.45	15.10	15.20	27499.42
Jan' 15	20.45	14.15	15.90	8808.90	20.50	14.50	16.75	29182.95
Feb' 15	17.00	13.10	14.95	8844.60	18.00	13.25	13.75	29220.12
Mar' 15	15.00	10.05	10.05	8491.00	14.00	9.39	12.24	27957.49

Distribution of shareholding as on March 31, 2015

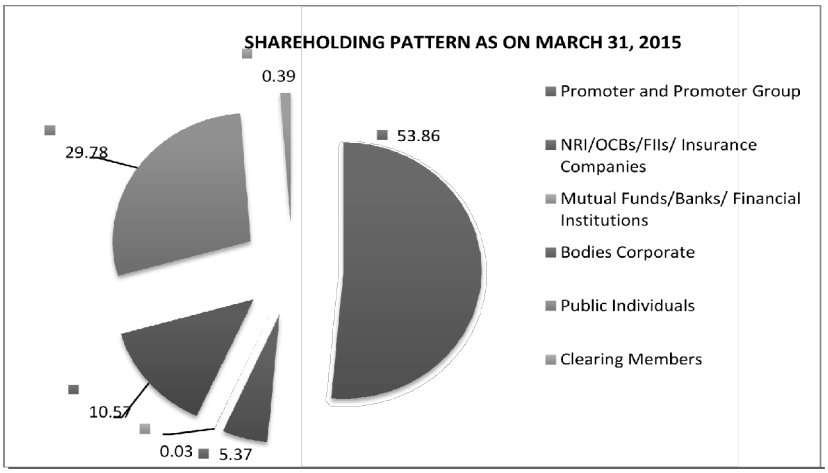
Shareholding of Nominal Value (in Rs.)	No. of Shareholders	% to total Shareholders	No. of Shares	Share Amount (in Rs.)	% of Shareholding
Up to 5000	9119	92.28	1227663	12276630	7.29
5001-10000	414	4.19	345730	3457300	2.05
10001-20000	152	1.54	227919	2279190	1.35
20001-30000	60	0.61	155958	1559580	0.93
30001-40000	19	0.19	68353	683530	0.41
40001-50000	22	0.22	101749	1017490	0.60
50001-100000	27	0.27	198113	1981130	1.18
100001 & above	69	0.70	14509447	145094470	86.19
Total	**9882**	**100.00**	**16834932**	**168349320**	**100.00**

Details of Shares held in Physical and Dematerialisation Form :

Mode of Holding	No. of Shares	% with respect to total numbers of shares
National Securities Depository Limited	14433386	85.73
Central Depository Services (India) Limited	1234229	7.33
Physical	1167317	6.94
Total	**16,834,932**	**100.00**

Shareholding Pattern as on March 31, 2015:

Particulars	No. of Shares	% of shareholding
(A) Promoters and Promoter Group	9066841	53.86
(B) Public Shareholding		
NRI/OCBs/FII's/Insurance Companies	904295	5.37
Mutual Funds/Banks/Financial Institutions	5,870	0.03
Bodies Corporate	1779509	10.57
Public Individuals	5012793	29.78
Clearing Members	65624	0.39
Total {(A) + (B)}	**16,834,932**	**100.00**



Outstanding GDRS/ ADRS/ Warrants or Any Convertible Instruments, Conversion Date and Likely Impact on Equity

The Company has not issued any GDRs/ ADRs/ Warrants or any other instruments which are pending for conversion, likely to have impact on Equity as on date.

Share Transfer System

All duly completed applications received for transfer of shares held in the physical form are processed and come to effect within 15 days from the date of receipt.

Physical shares received for dematerisation are processed and completed within a period of 21 days from the date of receipt, provided they are complete in all respects.

The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under Clause 47 (c) of the Listing Agreement with Stock Exchanges and files a copy of the certificate with the Stock Exchanges.

Plant Location

S. No	Location	Address
1.	Mahad	B-3/2/1, 2 & 3 MIDC, Industrial Estate, Mahad, Dist. Raigad, Maharashtra -403302
2.	Jigani	13-A, Part-I, Jigani Industrial Area, Dist. Anekal, Bangalore, Karnataka
3.	Baddi	Khasra No. 512-513, Village - Sandholi (Baddi), Tehsil- Nalagarh Dist. Solan (H.P)
4.	Pant Nagar	Plot No 45, Sector 3, Village Kalyanpur, Tehsil Kichha, Dist. U.S Nagar, IIE, Pant Nagar, Uttaranchal

Communication Address for Investors :
Secretarial Department
Ms. Shilpa Verma
Company Secretary & Compliance Officer
A-97/2, Okhla Industrial Area, Phase-II,
New Delhi-110020
Ph No: 011- 47385300
Fax No.: 011-47480746
Email: investor_helpdesk@pearlpet.net

Registrar & Share Transfer Agent
M/S. Mas Services Limited
T-34, 2nd Floor, Okhla Industrial Area,
Phase-II, New Delhi -110020
Ph No: 011-26387281/82/83
Fax: 011-26387384
Email: mas_serv@yahoo.com

CERTIFICATION BY THE CHAIRMAN & MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

The Board of Directors
M/s. Pearl Polymers Limited
A-97/2, Okhla Industrial Area,
Phase – II, New Delhi – 110020

Dear Sirs,

1. We have reviewed the financial statements and the cash flow statement as at March 31, 2015 and certify that to the best of our knowledge and belief:
   a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   b) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. We further certify that, to the best of our knowledge and belief, no transactions entered into by the company during the year which is fraudulent, illegal or violative of the company's code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have:
   a) evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and
   b) disclosed to the auditors & the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify these deficiencies.
4. We have indicated to the auditors and the Audit committee:
   a) significant changes in internal control over financial reporting during the year;
   b) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   c) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: New Delhi	**Chand Seth**	**Rajesh Mehra**
Date: May 27, 2015	**Chairman & Managing Director**	**Chief Financial Officer**

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PEARL POLYMERS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Pearl Polymers Limited** ('the Company'), which comprise the Balance Sheet as at **March 31, 2015**, the statement of Profit and Loss and the Cash Flow Statement for the year then 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at March 31, 2015, its profit and its 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, 2015 ("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 statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
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 purposes of our audit.
   - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   - (c) The Balance sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   - (e) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act, and
   - (f) 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 has not entered into any long term contracts including derivative contracts and accordingly it is not required to make provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on the same.
     - iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company.

For Sehgal Mehta & Co.
Chartered Accountants
F.R.N. No. 003330N

Place: New Delhi
Date : May 27, 2015

Naresh Khanna
Partner
M.No. 081482

Annexure to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2015, we report that:

(I) In respect of its fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner yearly. In accordance with this programme, all the fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(ii) In respect of inventories:

(a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

(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 the nature of its business.

(c) The discrepancies between the physical stock and book stock have been adjusted in the books.

(iii) The Company has not granted any loan, secured, or unsecured to bodies corporate, firms and other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Hence this clause is not applicable to the company.

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of goods and services. We have not observed any major weakness in the internal control system during the course of the audit.

(v) The Company has not accepted any deposits from the public so the said clause of the report is accordingly not applicable to the company.

(vi) As per rule 5 of Companies (Cost Records and Audit) Rules, 2014 company is not required to maintain the cost records pursuant to Section 148 of the Companies Act, 2013.

(vii) According to the information and explanations given to us in respect of statutory dues:

(a) Amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, custom duty, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

(b) There were no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, custom duty, value added tax, cess and other material statutory dues were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.

(c) There were no material dues of wealth tax, custom duty and cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax, sales tax, service tax and value added tax have not been deposited by the Company on account of disputes:

Name of the Statute	Nature of the Dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
The Central Excise Act, 1944	Producing and clearing dutiable and non-dutiable product under Notification No.4/97	360.59	March 1997 to June 1997	Supreme Court of India
The Central Excise Act, 1944	Excise duty on freight	72.72	March 1997 to December 2001	CESTAT
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 Shrink Films	72.65	August 2001 to February 2006	Commissioner of Central Excise, Raigad
The Central Excise Act, 1944	Disallowance of Cenvat Credit on Shrink Films	9.11	March 2006 to February 2007	Assistant Commissioner of Central Excise, CBD Belapur
The Central Excise Act, 1944	Disallowance of Cenvat Credit on Shrink Films / Shrink Sleeves	4.35	March 2007 to January 2008	Assistant Commissioner of Central Excise, CBD Belapur
The Central Excise Act, 1944	Disallowance of Cenvat Credit on Shrink Films / Shrink Sleeves	4.27	February 2008 to December 2008	Assistant Commissioner of Central Excise, CBD Belapur
The Central Excise Act, 1944	Penalty	7.50	2004-05	CESTAT Delhi.
The Central Excise Act, 1944	Excise Duty Penalty Interest	61.95 61.95 81.47	2002-03	CESTAT Delhi
The Central Excise Act, 1944	Disallowance of Cenvat Credit on Shrink Films/Shrink Sleeves	0.42	February 2009 to December 2009	Assistant Commissioner of Central Excise, CBD Belapur
The Central Excise Act, 1944	Disallowance of Cenvat Credit on the supply of pet chips	5.00	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	January 2005 to March 2005	Assistant Commissioner of Central Excise, CBD Belapur
The Sales Tax Act	Sales tax in respect of exempted sales	32.48	2002-03 & 2003-04	Sales tax Appellate Tribunal, Haryana.
The Central Excise Act, 1944	Disallowance of CENVAT Credit on Shrink Films/Shrink Sleeves	0.10	January 2010 to December 2010	Assistant Commissioner of Central Excise, CBD Belapur

The Central Excise Act, 1944	Disallowance of CENVAT Credit on Shrink Films/Shrink Sleeves	0.33	January 2011 to October 2011	Assistant Commissioner of Central Excise, CBD Belapur
The Central Excise Act, 1944	Disallowance of CENVAT Credit on Shrink Films/Shrink Sleeves	2.56	November 2011 to September 2012	Assistant Commissioner of Central Excise, CBD Belapur
The Sales Tax Act	Assessment order passed	9.61	2009-10	Assistant Commissioner of Sales Tax
The Sales Tax Act	Exemption given for business expansion under FAVC is not supported by C Forms	19.77	2002-03	Dt. Commissioner of Commercial Taxes, Bangalore
The Central Excise Act, 1944	Demand raised on wrong computation of assessable value	4.48	April 2006-December 2009	CESTAT, Bangalore
The Income Tax Act,1961	Assessment u/s 271(1)(c)	3.74	AY 2009-10	CIT(A), Delhi
The Income Tax Act,1961	Assessment u/s 143(3)	18.12	AY 2011-12	ITAT, Delhi
The Central Excise Act,1944	Disallowance of Cenvat credit on shrink films	3.24	October 2012-June 2013	Asst. CCE, Raigad
The Central Excise Act,1944	Disallowance of Cenvat credit on shrink films	1.91	July 2013-February 2014	Asst. CCE, Raigad
The Central Excise Act,1944	Disallowance of Cenvat credit on shrink films	1.70	March 2014-December 2014	Asst. CCE, Raigad
	Total	**840.46**		

(viii) The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.

(ix) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks and debenture holders.

(x) According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions during the year.

(xi) The Company has raised new term loans during the year amounting to Rs 369.30 lakhs. The term loans have been applied for the purposes for which they were raised.

(xii) In our opinion and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

For Sehgal Mehta & Co.
Chartered Accountants
F.R.N. No. 003330N

Place: New Delhi
Date : May 27, 2015

Naresh Khanna
Partner
M.No. 081482

BALANCE SHEET AS AT MARCH 31, 2015

	PARTICULARS	Note No.	As at March 31, 2015 (Rs. in lakhs)	As at March 31, 2014 (Rs. in lakhs)
I	**EQUITY AND LIABILITIES**			
	Shareholders' Funds			
	(a) Share Capital	2	**1,682.69**	1,682.69
	(b) Reserve and Surplus	3	**3,555.73**	4,517.67
			5,238.42	6,200.36
	Non-current liabilities			
	(a) Long-term borrowings	4	**287.13**	279.52
	(b) Deferred tax liabilities (Net)	5	**480.91**	739.55
	(c) Other Long-term liabilities	6	**529.65**	268.68
	(d) Long-term provisions	7	**343.91**	275.79
			1,641.60	1,563.54
	Current liabilities			
	(a) Short-term borrowings	8	**2,405.49**	3,297.98
	(b) Trade payables	9	**2,980.11**	2,527.37
	(c) Other current liabilities	10	**969.82**	1,082.49
	(d) Short-term provisions	11	**64.28**	80.83
			6,419.70	6,988.67
	TOTAL		**13,299.72**	14,752.57
II	**ASSETS**			
	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	12(i)	**5665.29**	6662.05
	(ii) Intangible assets	12(ii)	**0.98**	2.71
	(iii) Capital work-in-progress	12(iii)	**0.16**	-
			5666.43	6664.76
	(b) Non-current investments	13	**222.33**	191.41
	(c) Long-term loans and advances	14	**229.99**	319.44
	(d) Other non-current assets	15	**19.24**	16.15
			471.56	527.00
	Current assets			
	(a) Inventories	16	**2,293.83**	2,267.75
	(b) Trade receivables	17	**4,080.31**	3,957.17
	(c) Cash and bank balances	18	**324.29**	396.80
	(d) Short-term loans and advances	19	**299.34**	127.00
	(e) Other current assets	20	**163.96**	812.09
			7,161.73	7,560.81
	TOTAL		**13,299.72**	14,752.57

Significant Accounting Policies	1
The accompaying notes are an integral part of the financial statements	
As per our report of even date	2-51

On Behalf of the Board

For SEHGAL MEHTA & CO
Chartered Accontants
(FRN No.003330N)
Naresh Khanna
Partner
Membership No. 081482
Place: New Delhi
Date : May 27, 2015

CHAND SETH
Chairman & Managing Director

VARUN SETH
Whole-Time Director

RAJESH MEHRA
Chief Financial Officer

SHILPA VERMA
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

PARTICULARS	Note No.	For the year ended March 31, 2015	For the year ended March 31, 2014
		(Rs. in lakhs)	(Rs. in lakhs)
Income			
Revenue from operations (gross)		**20881.23**	23653.91
Less: Excise duty		**1023.07**	1140.48
Revenue from operations (net)	21	**19858.16**	22,513.42
Other income	22	**309.71**	122.10
Total Revenue (I)		**20167.87**	22,635.53
Expenses			
Cost of materials consumed	23	**12418.15**	15,244.01
Purchase of traded goods	24	**429.03**	-
Changes in inventories of Finished Goods, Stock in Process and Stock in Trade	25	**177.39**	(403.33)
Employees benefits expnese	26	**1617.29**	1,530.01
Other expenses	27	**4436.45**	4,711.14
Prior period adjustments	28	**6.04**	0.34
Total Expenses (II)		**19084.35**	21,082.17
Earnings before interest, tax, depreciation, amortization and exceptional items (EBITDA) [I-II]		**1083.52**	1,553.35
Depreciation and amortization expense	29	**652.75**	722.33
Finance costs	30	**621.99**	778.96
Profit/(loss) before tax		**(191.22)**	52.07
Tax Expense			
(1) Current tax		-	5.68
(2) Deferred tax		**59.43**	(7.51)
Total tax expense		**59.43**	(1.83)
Profit/(loss) for the year		**(250.65)**	53.90
Earning per equity share of face value of Rs. 10/- each	31		
Basic		**(1.49)**	0.32
Diluted		**(1.49)**	0.32

Significant Accounting Policies **1**
The accompanying notes are an integral part of the financial statements **2-51**
As per our report of even date

On Behalf of the Board

For SEHGAL MEHTA & CO
Chartered Accontants
(FRN No.003330N)
Naresh Khanna
Partner
Membership No. 081482
Place: New Delhi
Date : May 27, 2015

CHAND SETH
Chairman & Managing Director

VARUN SETH
Whole-Time Director

RAJESH MEHRA
Chief Financial Officer

SHILPA VERMA
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED March 31, 2015

		For the year Ended March 31, 2015 (Rs. in lakhs)	For the year Ended March 31, 2014 (Rs. in lakhs)
A.	**Cash flow from Operating activities:**		
	Net (loss)/profit before tax	**(191.22)**	52.06
	Adjustments for :		
	Depreciation/Amortisation	**652.76**	722.33
	Interest Expense	**621.99**	778.96
	Interest Income	**(42.89)**	(44.59)
	Dividend Income	**(0.05)**	(0.05)
	(Profit)/loss on sale of assets	**21.91**	(7.99)
	Operating profit before working capital changes	**1062.50**	1500.72
	Adjustments for changes in working capital :		
	- (Increase)/Decrease in Sundry Debtors	**(123.14)**	544.19
	- (Increase)/Decrease in Other Receivables	**577.98**	314.86
	- (Increase)/Decrease in Inventories	**(26.09)**	(349.16)
	- Increase/(Decrease) in Trade and Other Payables	**408.97**	143.83
	Cash generated from Operations	**1900.22**	2154.44
	- Taxes (Paid) / Received	**(6.42)**	(10.30)
	Net cash from Operating activities (a)	**1893.80**	2144.14
B.	**Cash flow from Investing activities:**		
	Purchase of Fixed Assets		
	Additions during the period	**(733.25)**	(773.89)
	Proceeds from Sale of Fixed Assets	**27.54**	26.17
	(Purchase)/ Sale of Investment	**(30.91)**	(12.08)
	Interest Received (Revenue)	**43.38**	40.48
	Dividend Received (Revenue)	**0.05**	0.05
	Net cash used in Investing activities (b)	**(693.19)**	(719.27)
C.	**Cash flow from Financing activities:**		
	Proceeds from Long Term Borrowings	**(592.47)**	(490.84)
	Proceeds from Short Term Borrowing	**(12.68)**	(316.25)
	Interest Paid	**(658.08)**	(785.84)
	Net cash used in Financing activities (c)	**(1263.23)**	(1592.93)
	Net Increase/(Decrease) in Cash & Cash Equivalents (a+b+c)	**(62.62)**	(168.06)
	Cash and cash equivalents as at 01.04.2014	**169.38**	337.44
	Cash and cash equivalents as at 31.03.2015	**106.76**	169.38
	Cash and cash equivalents comprise		
	Cash in hand	**7.55**	14.85
	Cheques in hand	**2.52**	3.67
	Balance with Scheduled Banks	**96.69**	150.86
		106.76	169.38

Notes :

1 The above Cash flow statement has been prepared under the indirect method setout in AS-3 notified in the Companies (Acounting 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 Accontants
(FRN No.003330N)
Naresh Khanna
Partner
Membership No. 081482
Place: New Delhi
Date : May 27, 2015

CHAND SETH
Chairman & Managing Director

VARUN SETH
Whole-Time Director

RAJESH MEHRA
Chief Financial Officer

SHILPA VERMA
Company Secretary

Notes to financial statements for the year ended March 31, 2015

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 except for change in the accounting policy for depreciation as more fully described in Note 47.

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, 2015

		March 31, 2015 (Rs. in lakhs)		March 31, 2014 (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 Redeembale 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 remainning assets of the Company, after distribution of all Prefrential 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 Telefonic 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	**624.26**		570.37	
Adjustment related to Fixed Assets (net of deferred tax adjustment Rs. 318.07 lacs (previous year Nil) (Refer: Note No. 47)	**(711.29)**			
Profit/(Loss) for the year	**(250.65)**		53.89	
Net Surplus/(Defecit) in the statement of Profit & Loss		**(337.68)**		624.26
Total Reserve and Surplus		**3,555.73**		4,517.67

Non-current liabilities				
4 Long Term Borrowings				
I Term Loans from Other Parties (secured)		**272.11**		161.79
II Vehicle Loans from Banks (secured)		**15.02**		20.23
III Deposits (unsecured) from Others		**-**		97.50
Related party (unsecured)				
Total Long Term Borrowings		**287.13**		279.52

Notes to financial statements for the year ended March 31, 2015

		March 31, 2015 (Rs. in lakhs)		March 31, 2014 (Rs. in lakhs)

I Term Loans

Term Loan of Rs. 510.58 lakhs (Previous Year Rs. 397.79 lakhs) is secured by way of exclusive charges on machines installed at company's all units. The above said loan is further secured by personal guarantees of Mr. Chand Seth and Mr. Varun Seth, Directors of the Company. Repayments - in quarterly installments till 10.6.2019. Current Rate of Interest @ 13.75% p.a.

Repayments of above Term Loans are as follows:

(i) From 1 to 2 years - Rs. 325.94 lakhs
(ii) From 2 to 3 years - Rs. 82.07 lakhs
(iii) From 3 to 4 years - Rs. 82.07 lakhs
(iv) From 4 to 5 years - Rs. 20.50 lakhs

II Vehicles Loans

Vehicle loans 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. 10.42 lakhs
(ii) From 2 to 4 years - Rs. 10.24 lakhs

5	**Deferred Tax Liability (Net)**				
	Deferred Tax				
	Assets				
	Provision for Doubtful Debt and Advances	**46.28**		83.73	
	Provision for Leave Encashment	**39.84**		37.74	
	Gratuity	**86.30**		72.46	
	Bonus	**3.85**	**176.27**	8.14	202.07
	Liabilities				
	Depreciation (net of adjustment in opening reserves Rs. 318.07 lacs (previous year Nil))		**657.18**		941.62
	Total Deferred Tax Liability (Net)		**480.91**		739.55

6	**Other Long Term Liabilities**				
	Supplier's Credit		**54.27**		166.15
	Security Deposit Received		**124.37**		69.85
	Inter Corporate Deposits		**230.00**		-
	Loan from Directors		**67.80**		-
	Others		**53.21**		32.68
	Total Other Long Term Liabilities		**529.65**		268.68

7	**Long Term Provisions**				
	Provision for Employees Benefits				
	Gratuity	**249.55**		185.82	
	Leave Encashment	**94.36**	**343.91**	89.97	275.79
	(Refer: Note No. 44)				
	Total Long Term Provisions		**343.91**		275.79

	Current liabilities				
8	**Short Term Borrowings**				
	Loan Repayable on demand from Banks (secured)		**2,405.49**		2,283.17
	Loan and Advances from Related parties (unsecured)				
	Loan from Directors		**-**		11.72
	Deposits (unsecured)		**-**		868.09
	Other loans and advances (unsecured)				
	Inter Corporate Deposits		**-**		135.00
	Total Short Term Borrowings		**2,405.49**		3,297.98

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.

Notes to financial statements for the year ended March 31, 2015

			March 31, 2015 (Rs. in lakhs)		March 31, 2014 (Rs. in lakhs)
9	**Trade Payables**				
	Creditors for Raw materials*	**2,616.67**		2,258.28	
	Creditors for Other Service*	**363.44**	**2,980.11**	269.08	2,527.37
	*(Ref Note No. 45 for details of dues to Micro & Small Enterprises)				
			2,980.11		2,527.37
10	**Other Current Liabilities**				
	Current maturity of long term loans from other Parties (Ref Note I of 4)		**238.47**		236.00
	Current maturity of Vehicle Loans(Ref Note II of 4)		**5.64**		15.63
	Interest Accrued but not due		**7.50**		43.59
	Advance Received from Customers		**0.13**		12.02
	Unclaimed Matured Deposits		**9.72**		20.27
	Other Payables				
	Directors Remuneration Payable	**1.39**		1.28	
	Employees dues Payable	**89.86**		88.27	
	Statutory dues	**173.37**		193.06	
	Expenses Payable	**292.15**		323.51	
	Creditors for Capital Goods	**123.24**		138.44	
	Others	**28.35**	**708.36**	10.42	754.98
	Total Other Short Term Liabilities		**969.82**		1,082.49
11	**Short Term Provisions**				
	Provision for Employees Benefits				
	Leave Encashment payable		**34.56**		32.16
	Gratuity payable (Refer Note 44)		**29.72**		48.68
	Total Short Term Provisions		**64.28**		80.83
	Non-Current Assets				
12	**Fixed Assets**				
	Tangible Assets (Ref details below)	**5,665.29**		6,662.05	
	Intangible Assets (Ref details below)	**0.98**		2.71	
	Capital Work-in-Progress	**0.16**	**5,666.43**	-	6,664.76
	Total Non Current Assets		**5,666.43**		6,664.76

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 1.4.2014	**82.17**	**163.90**	**2,123.76**	**10,555.65**	**3,063.94**	**130.26**	**114.81**	**258.22**	**110.84**	**16,603.55**
Additions	8.64	-	4.54	493.36	211.91	8.13	2.41	-	4.11	733.09
Disposals/ Depreciation written back	-	-	-	(565.72)	(19.57)	-	-	(5.80)	-	(591.08)
As at 31.3.2015	**90.80**	**163.90**	**2,128.30**	**10,483.29**	**3,256.28**	**138.39**	**117.22**	**252.42**	**114.95**	**16,745.55**
Depreciation										
As at 1.4.2014	-	**11.48**	**769.98**	**6,239.94**	**2,538.08**	**103.06**	**64.86**	**123.10**	**91.00**	9,941.49
Charges for the year	-	1.82	80.26	438.01	61.32	6.20	13.55	41.34	8.53	651.03
Charge to Opening Reserve	-	-	7.49	993.85	(5.28)	4.15	21.44	0.32	7.40	1,029.36
Disposals	-	-	-	(538.16)	(1.02)	-	-	(2.45)		(541.63)
As at 31.3.2015	-	**13.30**	**857.73**	**7,133.64**	**2,593.10**	**113.41**	**99.85**	**162.31**	**106.93**	**11,080.26**
Net Block										
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**
As at 31.3.2014	82.17	152.42	1,353.78	4,315.71	525.86	27.20	49.95	135.12	19.84	6,662.05

Intangible Assets	Computer software	**Total**
Gross Block		
As at 1.4.2014	11.26	**11.26**
Purchase	-	**-**
Internal Development	-	**-**
As at 31.3.2015	11.26	**11.26**
Amortization		
As at 1.4.2014	8.55	**8.55**
Charges for the year	1.72	1.72
As at 31.3.2015	10.28	**10.28**
Net Block		
As at 31.3.2015	0.98	**0.98**
As at 31.3.2014	2.71	2.71

Notes to financial statements for the year ended March 31, 2015

		March 31, 2015 (Rs. in lakhs)		March 31, 2014 (Rs. in lakhs)
13 Non Current Investments				
Other Investments -Fully paid up				
Investment in Equity Shares-Quoted				
Investment in Associates				
I) 70,00,960 Equity Shares (Previous Year - 70,00,960) Equity Shares of Rs.10/- each in Pearl Engineering Polymers Ltd.		**79.08**		79.08
ii) 27,450 (Previous Year 27,450) Equity Shares of Rs.10/- each in Pearl Apartments Ltd.		**0.87**		0.87
Others				
iii) 21,300 (Previous Year 21,300) Equity Shares of Rs.10/- each in Pretto Leather Ltd.		**0.26**		0.26
iv) 1,100 (Previous Year 1,100) Equity Shares of Rs.10/- each in Kongrar Integrated Fibre Ltd.		**0.04**		0.04
v) 2,000 (Previous Year 2,000) Equity shares of Rs.10/- each in Valliant Communications Ltd.		**0.20**		0.20
vi) 1,000 (Previous Year 1,000) Equity shares of Rs.10/- each of B.K.Duplex Boards Ltd.		**0.04**		0.04
vii) 11,700 (Previous Year 11,700) Equity sharesof Rs.10/- each of Rams Transformers Ltd.		**0.35**		0.35
viii) 3,300 (Previous Year 3,300) Equity shares of Rs..10/- each of Pasupati Fincap Ltd.		**0.21**		0.21
ix)100 (Previous Year 100) Equity shares of Rs.10/- each of Prism Cement Ltd.		**0.004**		0.004
x) 5,000 (Previous Year 5,000) Equity shares of Rs.10/- each of Master Trust Ltd.		**0.57**		0.57
xi) 600 (Previous Year 600) Equity shares of Rs.10/- each of Dion Global Solutions Ltd		**0.02**		0.02
xii) 5,900 (Previous Year 5,900) Equity shares of Rs.10/- each of Market Creator Ltd.		**0.27**		0.27
Investment in Preference Shares-Unquoted				
Investment in Associates				
i) 84,500 (Previous Year -1,09,500) 6% Redeemable Non-CumulativePreference Shares of Rs.100/- each of Pacific Pearl Finance & Leasing Ltd		**84.50**		109.50
ii) 7,06,000 Preference Shares (Previous Year -Nil) of Rs.100/- eachin Pearl Engineering Polymers Ltd.		**55.92**		-
Total Non Current Investments		**222.33**		191.41
Aggregate market value of Quoted Investments		**91.28**		90.82
Aggregate amount of Quoted Investments		**81.91**		81.91
Aggregate amount of Unquoted Investments		**140.42**		109.50

14 Long Term Loans and advances				
Capital Advances -unsecured- considered good		**2.57**		62.90
Security Deposits-unsecured				
-considered good-from related parties				
-Considered good	**216.45**		247.60	
-Considered doubtful	**4.69**		4.69	
Less: Provision for doubtful advances	**(4.69)**	**216.45**	(4.69)	247.60
Other Loans and advances - unsecured				
Prepaid Expenses-considered good		**6.88**		4.85
Excise Duty-under protest		**2.50**		2.50
Others				
-Considered good	**1.59**		1.59	
-Considered Doubtful	**1.13**		4.96	
Less: Provision for doubtful advances	**(1.13)**	**1.59**	(4.96)	1.59
Total Long Term Loans and advances		**229.99**		319.44

15 Other Non-current Assets				
Others				
Vat input recoverable	**12.97**		9.88	
Excise duty recoverable	**6.27**	**19.24**	6.27	16.15
Total Other Non-current Assets		**19.24**		16.15

Notes to financial statements for the year ended March 31, 2015

		March 31, 2015 (Rs. in lakhs)		March 31, 2014 (Rs. in lakhs)
16 Inventories				
(As verified & certified by Management)				
Raw Materials	488.32		255.48	
Raw Materials in transit	15.16		66.89	
Finished Goods and Accessories	1,346.64		1,533.64	
Stock in Trade	18.03		11.25	
Semi-finished Goods	100.74		97.91	
Packing Materials	153.30		140.12	
Packing Materials in transit	4.02		3.61	
Stores & Spares	167.62	2,293.83	158.85	2,267.75
Total Inventories		2,293.83		2,267.75
17 Trade Receivables (Unsecured)				
Debts outstanding for a period exceeding six months from the date they are due for payment				
-Considered Good	153.62		175.51	
-Considered Doubtful	149.79		261.33	
Less: Provision for Doubtful Debts	(149.79)	153.62	(261.33)	175.51
Other Debtors-Considered Good		3,926.69		3,781.66
Total Trade Receivables		4,080.31		3,957.17
18 Cash and Bank Balances				
Balance with Banks				
-Current Accounts		96.69		49.92
Other Bank Balances				
FDR Deposits with Original Maturity for more than 3 months but less than 12 months		-		100.01
Margin Money		217.53		227.42
Deposits Matured but receivable		-		0.93
Cheques in hand		2.52		3.67
Cash in hand		7.55		14.85
Total Cash and Cash Equivalents		324.29		396.80
19 Short Term Loans and Advances				
Unsecured considered good				
Security Deposits		22.15		17.24
Advance to Suppliers		18.80		3.81
Prepaid Expenses		47.78		31.88
Insurance Claim Receivable		191.39		-
Others		19.22		74.07
Total Short Term Loans and Advances		299.34		127.00
20 Other current Assets				
Recoverable from Related Parties-Unsecured-considered good				
Pearl Apartments Limited	-		115.10	
Emperor Tours & Travels Private Limited	-		467.50	582.60
Others- Unsecured - considered good				
Balances with Excise and Customs Authorities	35.21		43.08	
Advance Tax /Tax Deducted at Source	65.53	100.74	59.10	102.17
(Net of provision for tax Rs. Nil, previous year Rs. 5.68 Lakhs)				
Interest Accrued on Deposits and Advances	26.38		26.87	
Discounts Receivable	4.92		68.53	
Others	31.92	63.22	31.92	127.32
Total Other non current Assets		163.96		812.09

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

Notes to financial statements for the year ended March 31, 2015

		March 31, 2015 (Rs. in lakhs)		March 31, 2014 (Rs. in lakhs)
21 Revenue from Operations				
Sale of products		**20,819.72**		23,605.63
Other operating revenues				
Scrap Sales	**59.94**		43.11	
Others	**1.57**	**61.51**	5.17	48.28
		20,881.23		23,653.91
Less: Excise Duty		**1,023.07**		1,140.48
Excise duty on sales amounting to Rs.1023.07 (Previous year Rs. 1140.48 lakhs) have been reduced from sales in profit & loss account and excise duty on increase/decrease in stock amounting to (Rs.0.99) lakhs (previous year Rs.11.55) lakhs and Branch Transfer Rs. 37.40 lakhs (previous year Rs. 68.76 lakhs) have been considered as expense(Income) in note of financial statement				
		19,858.16		22,513.43
22 Other Income				
Interest income on				
Bank Deposits	**21.92**		26.33	
Security Deposits	**9.95**		11.70	
Others	**11.02**	**42.89**	6.56	44.59
Exchange Rate Difference		**3.40**		0.52
Dividend income		**0.05**		0.05
Insurance Claims Received		**203.35**		12.53
Balances written back		**10.78**		11.03
Provision for Bad and Doubtful Debts/Advances written back		**22.52**		23.84
Profit on sale of Fixed Assets		**-**		11.70
Provision No Longer Required written back		**-**		14.07
Misc Income		**26.72**		3.76
		309.71		122.10
23 *Cost of Raw Materials Consumed*				
Raw Materials				
Inventory at the beginning of the year	**322.37**		308.62	
Add: Purchase	**10,833.62**		13,449.18	
Less: Inventory at the end of the year	**503.48**	**10,652.51**	322.37	13,435.43
Packing Materials				
Inventory at the beginning of the year	**143.73**		185.94	
Add: Purchase	**1,446.28**		1,217.46	
Less: Inventory at the end of the year	**157.31**	**1,432.70**	143.73	1,259.67
Direct Purchase				
Pet Preforms	**106.97**		229.06	
Pet Bottles & Jars	**-**		14.78	
Caps/Wads	**225.97**	**332.94**	305.07	548.91
		12,418.15		15,244.01

Particulars of Raw Materials consumed	**Value Rs. in lakhs March 31, 2015**	Value Rs. in lakhs March 31, 2014
Pet Chips	**9,076.25**	10,086.42
Polyproplene	**1,514.50**	3,056.32
Other	**61.76**	292.69
	10,652.51	13,435.43

24 *Purchase of Traded goods*				
Pet Bottles & Jars		**429.03**		-
		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	**1,533.64**		**1,132.87**	
Stock in Trade	**11.25**		35.80	
Semifinished goods	**97.91**	**1,642.80**	70.80	1,239.47
Inventory at the end of the year				
Finished goods and Accessories	**(1,346.64)**		(1,533.64)	
Stock in Trade	**(18.03)**		(11.25)	
Semifinished goods	**(100.74)**	**(1,465.41)**	(97.91)	(1,642.80)
		177.39		(403.33)

Notes to financial statements for the year ended March 31, 2015

		March 31, 2015 (Rs. in lakhs)		March 31, 2014 (Rs. in lakhs)
26 *Employee benefit Expenses*				
Salary, Wages, Bonus & Other Allowance	**1,400.62**		1,341.03	
Contribution to P.F, ESI & other Funds	**120.25**		118.74	
Staff Welfare expenses	**96.42**	**1,617.29**	70.24	1,530.01
		1,617.29		1,530.01
27 *Other Expenses*				
Consumption of Stores & Spares		**239.47**		266.53
Freight, Octroi & Cartage		**482.48**		552.39
Power and Fuel		**1,867.26**		1,967.61
Electricity & Water Charges		**44.45**		26.15
Advertisement, Publicity & Selling expenses		**64.80**		110.16
Printing, Stationery, Postage, Telephone & Telex		**87.47**		103.08
Rent	**83.45**		89.08	
Lease Rent	**43.12**	**126.57**	94.96	184.04
Repairs & Maintenance				
- Building	**29.05**		42.03	
- Machinery	**99.10**		118.63	
- Others	**57.08**	**185.23**	47.32	207.99
Insurance		**25.02**		20.97
Rates & Taxes		**22.20**		17.75
Commission		**9.05**		19.07
Rebate & Discount		**38.25**		39.82
Conveyance & Travelling expenses		**197.51**		203.76
Legal & Professional Fees		**66.24**		70.66
Payment to Auditors (Refer details below)		**26.90**		19.47
Donations		**0.16**		0.14
Loss on Sale/Write off Fixed Assets		**21.92**		3.71
Director's Sitting fees		**0.30**		0.09
Provision for doubtful debts /Advances		**1.39**		-
Bad debts/ Advances written off		**2.83**		22.58
Wages Contractors		**498.65**		413.59
Hire Charges		**181.07**		188.67
Miscellaneous expenses		**210.82**		192.61
Excise duty on Branch Transfer		**37.40**		68.76
Excise duty on Increase/Decrease of Inventory		**(0.99)**		11.55
		4,436.45		4,711.14

Payment to Auditors	**Statutory Auditors**	**Branch Auditors**	Statutory Auditors	Branch Auditors
Audit Fees				
Statutory Audit Fees	**5.56**	**-**	6.87	-
Limited Review Fee	**8.32**	**-**	4.67	0.30
for Taxation matters	**11.03**	**-**	3.15	-
for Company law matters	**1.12**	**-**	3.37	-
Management & Other Services	**0.56**	**-**	0.56	-
Reimbursement of expenses (Net of Service Tax)	**0.31**	**-**	0.30	0.25
	26.90	**-**	18.92	0.55
Total Payment to Auditors		**26.90**		19.47

28 *Prior period adjustments*				
Expenditure/(Income)				
Travelling		**0.19**		-
Staff welfare		**0.02**		-
Repair & Maintenance Others		**0.11**		-
Car Repair & Maintenance		**0.26**		-
Consumables		**0.02**		-
Electricity		**0.40**		-
Freight outward		**0.49**		-
Legal & professional		**0.67**		-
Membership and Subscription		**0.01**		-
Rates & Taxes		**3.87**		-
Misc Expenses		**-**		0.34
		6.04		0.34
29 *Depreciation and Amortization*				
Depreciation	**651.03**		720.08	
Amortization	**1.72**	**652.75**	2.25	722.33
		652.75		722.33

Notes to financial statements for the year ended March 31, 2015

	March 31, 2015 (Rs. in lakhs)	March 31, 2014 (Rs. in lakhs)
30 *Finance Costs*		
Interest Expenses	**528.00**	652.30
Other Borrowing Cost	**93.99**	126.66
	621.99	778.96

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	**(250.65)**	53.89
	(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.)	**(1.49)**	0.32
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.)	**(1.49)**	**0.32**

32 Estimated amount of contracts remaining to be executed on Capital account and not provided for (Net of Advances)	**(Rs. in lakhs)** **17.82**	(Rs. in lakhs) 301.85

33 Contingent Liabilities	**(Rs. in lakhs)**	(Rs. in lakhs)
In respect of guarantees executed by Banks against lodgment of counter guarantees of the Company * Provided by way of Margin Money Rs. 18.37 lakhs (Previous Year Rs. 17 lakhs)	**73.48**	67.98
In respect of Service Tax	**0.04**	0.04
In respect of demands for Excise Duty * * includes: The Company has received for its unit at Mahad show cause notice from Excise Department for Rs. 3.61 lacs for disallowance of CENVAT credit on shrink films for the year 2013-14. The Company had received for its unit at Mahad show cause notice from Excise Department for Rs. 3.24 lakhs. The Company had received for its unit at Mahad show cause notice from Excise Department for Rs.50.10 lacs against Excise Duty not Paid on freight Charged separately in invoices covered period from October 2008 to July 2013. The Company had received for its unit at Mahad show cause notice from Excise Department for Rs. 360.59 lakhs for producing and clearing dutiable and non-dutiable products under notification 4/97 dated 1.03.97. The Company has preferred an appeal against the same. Similar case for a different period had been adjudicated in Company's favour by CESTAT, DELHI At its unit at Mahad the Excise Department has filed an appeal against a demand of Rs.72.72 lakhs which had been dropped by the Commissioner,Central Excise. (The original show cause notice was received on 17.2.2002 and related to imposition of Excise Duty on recovery of freight charges, detention charges etc., separately by the company and non-inclusion of the same). The Company had received for its unit at Mahad show cause notice from Excise Department for Rs. 72.65 lacs for disallowing cenvat credit on SHRINK FILMS / SHRINK SLEEVES ,as the same has been wrongly classified by supplier under CH 4901.90 instead of CH 3920.19 for the period from August 2001 to Feb 2006 The Company had received for its unit at Gurgaon Demand Notice from Excise Department for Rs.10.00 lakhs for penalty and deposited Rs.2.50 lakhs under protest.	**807.07**	807.46
In respect of sales Tax * * includes In respect of assessment order for the year 2009-10 of its unit at mahad of Rs. 9.61 lakhs. In respect of sales tax demand for the year 2002-03 of its unit at Jigni of Rs. 9.88 lakhs (Net of bank guarantee)	**19.49**	19.49
In respect of Demand for Income Tax pertaining to Assessment Year 2009-10 & 2011-12 for Assessment under section 143(3)	**21.86**	7.49

34 Value of imports calculated on CIF basis		
Raw Materials	**2,840.02**	21.55
Capital goods	**271.49**	3.61

35 Expenditure in foreign currency (accrual basis)		
Travelling and conveyance	**5.43**	6.99
Others	**-**	1.87

Notes to financial statements for the year ended March 31, 2015

	March 31, 2015 (Rs. in lakhs)	March 31, 2014 (Rs. in lakhs)
36 Earnings in foreign currency (accrual basis)		
Exports at F.O.B Value - Finished Goods	**19.85**	50.82
Exports at F.O.B Value - Capital Goods	**-**	20.53

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

Particulars	2014-2015		2013-2014	
	In Foreign Currency	Rs. in lakhs	In Foregin Currency	Rs. in lakhs
Trade Receivable				
USD	**19,207**	**9.92**	0.61	36.69
Trade Payable				
USD	**850,674**	**540.29**	-	-

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	**24.96**	**2,659.21**	0.16	21.54
Indigenously obtained	**75.04**	**7,993.30**	99.84	13,413.89
	100.00	**10,652.51**	100.00	13,435.43
Spare parts & Components				
Indigenously obtained	**100.00**	**239.47**	100.00	266.53
	100.00	**239.47**	**100.00**	**266.53**

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
Emperor Travels & Tours Pvt Ltd
Pearl Apartments Ltd
Pearl Flats India Ltd
MRK Shares & Stocks Pvt 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**	44.88
Mr Varun Seth	**40.40**	47.90
Mr Ramesh Mehra	**10.45**	-
Loan taken		
Mr Chand Seth	**85.00**	-
Sale of Investments		
Mr Chand Seth	**25.00**	-
Outstanding Payable		
Mr Chand Seth	**69.01**	11.72
Mr. Varun Seth	**1.64**	1.28
Mr. Ramesh Mehra	**0.15**	-

Notes to financial statements for the year ended March 31, 2015

		March 31, 2015 (Rs. in lakhs)		March 31, 2014 (Rs.in lakhs)
42 **Relatives of Key Management Personnel**				
Remuneration paid				
Mr Amit Seth		**30.28**		30.28
Mr Udit Seth		**30.28**		30.28
Rent paid				
Theta Investments Pvt Ltd		**6.00**		4.00
Mrs Suneeta Seth		**12.00**		12.00
Outstanding Payable				
Mr. Amit Seth		**1.39**		0.50
Mr. Udit Seth		**1.39**		0.50
Mrs Suneeta Seth		**1.08**		1.08

43 **Related parties where control exists**				
ICD taken				
MRK Shares & Stocks Pvt Ltd		**-**		67.00
Pacific Pearl Finance & Leasing Ltd		**-**		18.00
Advance received against sale of property				
Pearl Flats India Ltd.		**20.00**		-
Interest Paid on ICD				
MRK Shares & Stocks Pvt Ltd		**-**		1.27
Pacific Pearl Finance & Leasing Ltd		**1.94**		6.75
Pearl Telefonics Ltd		**0.84**		3.41
Theta Investments Pvt Ltd		**0.15**		0.61
Outstanding Payable				
Pacific Pearl Finance & Leasing Ltd		**-**		64.50
Pearl Telefonics Ltd		**-**		28.00
Theta Investments Pvt Ltd		**-**		5.00
Pearl Flats India Ltd.		**20.00**		-
Outstanding Receivable				
Pearl Apartments Ltd		**-**		115.10
Emperor Travels & Tours Pvt Ltd		**-**		467.50

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

Employees Benefits 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:	**Gratuity (Funded) March 31, 2015 Rs. in lakhs**	**Leave Encashment March 31, 2015 Rs. in lakhs**	Gratuity (Funded) March 31, 2014 Rs. in lakhs	Leave Encashment March 31, 2014 Rs. in lakhs
Defined Contribution Plans The Company has recognized the following amounts in the Profit & Loss Accounts for the year				
I. Employer's Contribution to Provident Fund		**54.31**		48.05
II. Employer's Contribution to Superannuation Fund		**15.92**		16.05
III. Employer's Contribution to Employees' Pension Scheme		**32.33**		27.89
IV. Employer's Contribution to Employees' State Insurance Scheme		**12.15**		14.14
Defined Benefit Plans 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)	**7.80%**		9.10%	
b) Rate of increase on compensation levels/escalation in salary	**5.00%**		5.00%	
c) Expected rate of Return on Plan Assets	**8.75%**		8.82%	
d) Expected Average remaining working lives of employees in number of years	**20 yrs**		20 yrs	

	Gratuity (Funded) March 31, 2015 Rs. in lakhs	Leave Encashment March 31, 2015 Rs. in lakhs	Gratuity (Funded) March 31, 2014 Rs. in lakhs	Leave Encashment March 31, 2014 Rs. in lakhs
Changes in the Present Value of Obligation				
Present value of Obligation as at 1st April, 2014	**259.20**	**113.29**	262.14	117.85
Interest Cost	**23.59**	**10.31**	20.71	9.31
Past Service Cost	**-**	**-**	-	-
Current Service Cost	**21.78**	**13.11**	20.38	12.78
Curtailment Cost (Credit)	**-**	**-**	-	-
Impact due to settlement	**-**	**-**	-	-
Settlement Cost (Credit)	**-**	**-**	-	-
Directly paid by Enterprises	**-**	**-**	-	-
Benefits Paid	**(29.08)**	**(13.45)**	(27.52)	(15.28)
Actuarial Loss/(Gain)	**19.84**	**(5.57)**	(16.51)	(11.37)
Foreign Currency exchange rate different from the enterprises reporting currency				
Present value of Obligation as at 31st March , 2015	**295.33**	**117.69**	259.20	113.29
Changes in the Fair Value of Plan Assets				
Fair Value of Plant Assets as at 1st April, 2014	**24.69**	**-**	17.40	-
Expected Return on Plan Assets	**2.18**	**-**	1.61	-
Actuarial Loss/(Gain)	**(0.59)**	**-**	0.30	-
Employers' Contribution	**18.86**	**-**	32.90	-
Contribution transferred from Group Companies	**-**	**-**	-	-
Benefits Paid	**(29.08)**	**-**	(27.52)	-
Contributions by Plan	**-**	**-**	-	-
Fair Value of Plan Assets as at 31st March, 2015	**16.06**	**-**	24.69	-
Percentage of each Category of Plan Assets to total Fair Value of Plan Assets as at 31st March, 2015				
GOI Securities	**-**	**-**	-	-
Public Securities	**-**	**-**	-	-
Bank Deposits (Special Deposit Scheme 1975)	**-**	**-**	-	-
State Government Securities	**-**	**-**	-	-
Insurance Policies	**16.06**	**-**	24.69	-
Other (including Bank Balances)	**-**	**-**	-	-
Reconcialtion of Present Value of Define Benefit Obligation and the fair value of Assets				
Present value of funded Obligation as at 31st March, 2015	**295.33**	**117.69**	259.20	113.29
Fair Value of Plan Assets as at 31st March, 2015	**16.06**	**-**	24.69	-
Funded (Assets)/Liability recognized in the Balance Sheet				
Present value of Unfunded Obligation as at 31st March, 2015	**279.27**	**117.69**	234.51	113.29
Unrecognized past service cost	**-**	**-**	-	-
Unrecognized actuarial (Gain)/Losses	**-**	**-**	-	-
Unfunded Net Liability recognized in the Balance Sheet	**279.27**	**117.69**	234.51	113.29
Amount recognized in the Balance Sheet				
Present value of Obligation as at 31st March ,2015	**295.33**	**117.69**	259.20	113.29
Fair Value of Plant Assets as at 31st March ,2015	**16.06**		24.69	
Assets/Liability recognized in the Balance Sheet(Net)	**279.27**	**117.69**	234.51	113.29
Expenses recognized in the Profit & Loss Account				
Current Service Cost	**21.78**	**13.11**	20.38	12.78
Past service Cost	**-**	**-**	-	-
Interest Cost	**23.59**	**10.31**	20.71	9.31
Expected Return on Plan Assets	**(1.59)**	**-**	(1.91)	-
Curtailment Cost (Credit)	**-**	**-**	-	-
Settlement Cost (Credit)	**-**	**-**	-	-
Net actuarial (Gain)/Loss	**19.84**	**(5.57)**	(16.51)	(11.37)
Contribution transferred from Group Companies				
Total Expenses recognized in the Profit & Loss Account	**63.62**	**17.85**	22.67	10.72

		March 31, 2015 (Rs. in lakhs)		March 31, 2014 (Rs. in lakhs)
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, 2015 Rs. in lakhs**		March 31, 2014 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			

Notes to financial statements for the year ended March 31, 2015

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 Pursuant to the enactment of Companies Act 2013, The Company has applied the estimated useful lives as specified in schedule II except in respect of certain assets as disclosed in Accounting Policies on depreciation & Intangibles. Accordingly, unamortised carrying value is being depreciated/amortised over the revised/remaining useful lives. The written down value of Fixed Assets whose life have expired as at 1st April, 2014 has been adjusted net of tax, in the opening balance of Profit and Loss Account amounting to Rs. 711.29 lacs.

48 In view of loss during the year, provision for Income Tax has not been made.

49 During the year, there was fire at one of Company's unit due to short circuit. The Company has filed insurance claim for loss of Stocks, Building, Furniture & Fixture and Machinery. Insurance claim of Rs. 191.39 lacs has been provided on estimated basis. Any short/excess on this account shall be considered at the time of settlement of claim.

50 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 leve 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 has leased facilities under the non-cancellable operation lease. Lease rent amounting to Rs. 43.12 lakhs (previous year Rs. 94.96 lakhs) has been charged to Profit & Loss Account during the year.

The future lease payments and payment profile of non cancellable operating leases are as under:

Particulars	**March 31, 2015 (Rs. in lakhs)**	March 31, 2014 (Rs. in lakhs)
Not later than one year	-	45.49

51 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 Accontants
(FRN No.003330N)
Naresh Khanna
Partner
Membership No. 081482
Place: New Delhi
Date : May 27, 2015

CHAND SETH
Chairman & Managing Director

VARUN SETH
Whole-Time Director

RAJESH MEHRA
Chief Financial Officer

SHILPA VERMA
Company Secretary

PEARL Polymers Limited
CIN NO. L25209DL1971PLC005535
Registered Office : A-97/2, Okhla Industrial Area, Phase-II,New Delhi - 110 020
Tel : 011-47385300, Fax : 011-47480746, Website : www.pearlpet.net

Form No. MGT-11

Proxy Form

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

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

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name _____ Address _____

   E-mail Id _____ Signature _____ or failing him

2. Name _____ Address _____

   E-mail Id _____ Signature _____ or failing him

3. Name _____ Address _____

   E-mail Id _____ Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 44th Annual General Meeting of the Company, to be held on Wednesday, the 30th day of September, 2015 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 Audited Financial Statement, Report of Board of Directors and Auditors Report for financial year ended March 31, 2015.		
2.	Appointment of a Director in place of Mr. Chand Seth (DIN No: 00002944) who retires by rotation and being eligible, offers himself for reappointment.		

3.	Ratification of appointment and fixing of remuneration of M/s. Sehgal Mehta & Co. Chartered Accountant as statutory Auditors of the Company.		
Special Business			
4.	Re-Appointment of Mr. Varun Seth as Whole Time Director of the Company		

Affix

Revenue

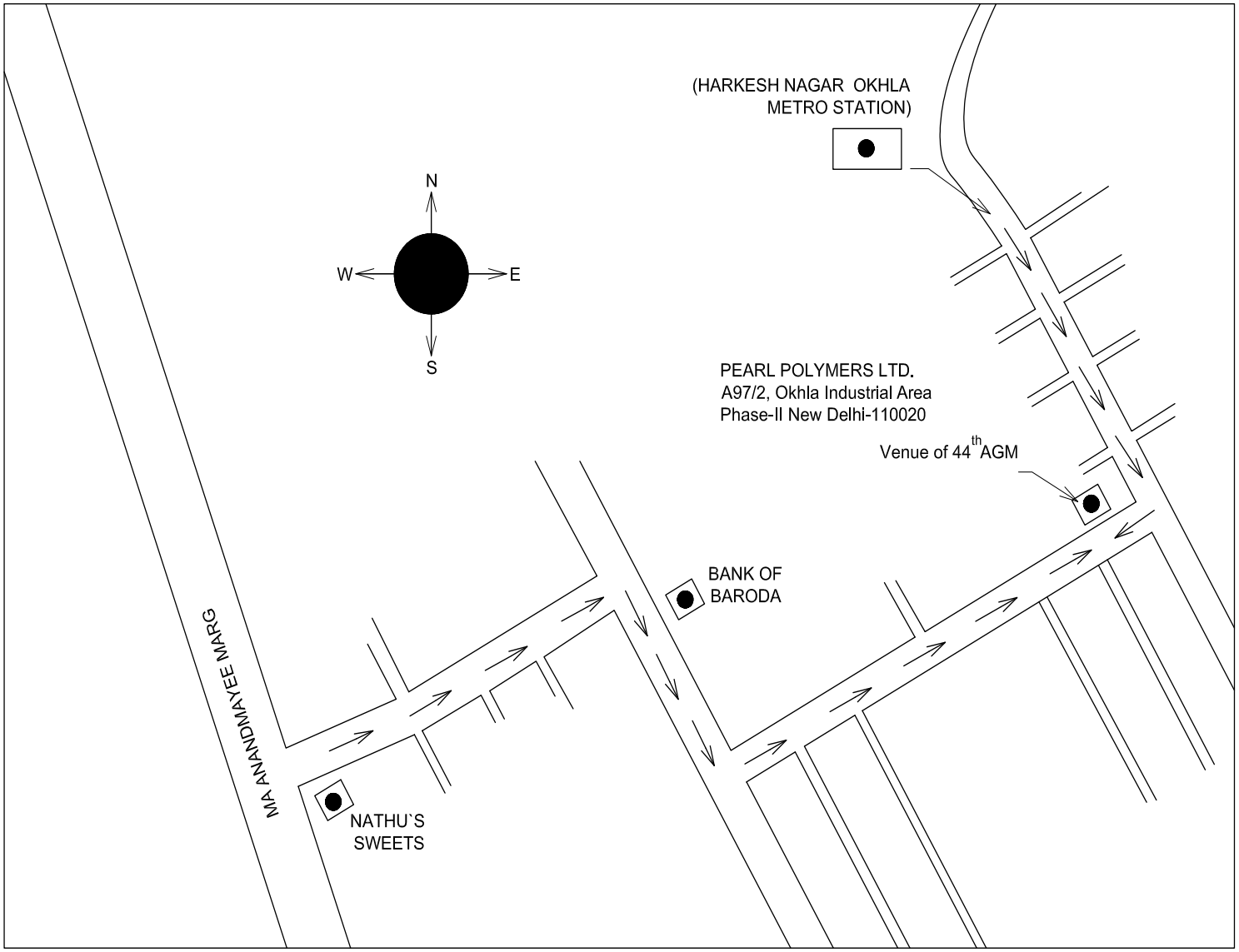
Stamp

Signed this _____ day of _____ 2015

Signature of Shareholder_____Signature of Proxy holder(s) _____

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 'V ' in the appropriate column against the resolutions indicated in the Box.
3. In case of joint holders, the signature of any one holder will be sufficient, but name of all the Joint holders should be stated.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