



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

**CIN:** L25209DL1971PLC005535

**Tel. No.:** +91-11-47385300

**Email:** [pearl@pearlpet.net](mailto:pearl@pearlpet.net), **Website:** [www.pearlpet.net](http://www.pearlpet.net)

September 06, 2023

<b>National Stock Exchange of India Ltd.</b> Exchange Plaza, 5 <sup>th</sup> Floor Plot No. C1, G Block Bandra, Kurla Complex Bandra (East), Mumbai- 400051  (Stock Code: PEARLPOLY)	<b>BSE Ltd.</b> Phiroze Jeejeebhoy Towers, 25 <sup>th</sup> Floor, Dalal Street, Mumbai-400001  (Stock Code: 523260)
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Dear Sir/Madam,

**Sub: Submission of Annual Report for FY 2022-23 and Notice of 52<sup>nd</sup> Annual General Meeting ('AGM') of the Company**

Pursuant to Regulation 34(1) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, we are enclosing herewith the Annual Report for the Financial Year 2022-23 including Notice of 52<sup>nd</sup> AGM of the Company which is scheduled to be held on Thursday, the 28<sup>th</sup> September, 2023 at 05:00 p.m. through Video Conferencing/ Other Audio Visual Means, in terms of the relevant circulars issued by the Ministry of Corporate Affairs and Securities Exchange Board of India.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,  
For Pearl Polymers Limited

Aman Thakran  
Company Secretary

Encl: As above



# Pearlpet<sup>®</sup>

Storing Happiness



**PEARL POLYMERS LIMITED**  
**Annual Report 2022-2023**



# WHO WE ARE

INDUSTRY LEADERS IN  
INNOVATION, DESIGN AND  
HOUSEWARE !

Welcome to PearlPET!

PearlPet is the house ware brand of Pearl Polymers, the leading house ware products since its inception in 1971. We offer the widest range of jars and bottles for usage in the kitchen, home and offices manufacturing in India.

PearlPET is proud to be seen as a mark of quality in the minds of all our consumers. We endeavor to give you a wide & unique variety of storage options to help keep your food safe and hygienic using state of the art technology and precision engineering.

We are proud to have brought a new thought process to the Indian kitchen by making the first safe, transparent, unbreakable, odourless plastic jars & bottles. We are now expanding our range to include trendy steel and other products.

We believe that our products should be safe for everyone to use from sneaking a snack in the dark to drinking water on the go.



## CORPORATE INFORMATION

### CHAIRMAN EMERITUS

*Mr. Chand Seth*

### BOARD OF DIRECTORS

*MR. UDIT SETH – Chairman & Managing Director*

*MR. VARUN SETH – Whole Time Director*

*MR. AMIT SETH – Whole Time Director*

*MRS. MEERA JOHRI – Independent Director*

*MR. ASHISH HARISH BHUVA – Independent Director*

*MR. ANANT KANOI – Independent Director*

### CHIEF FINANCIAL OFFICER

*Mr. Sanjeev Rikhi*

### COMPANY SECRETARY

*Mr. Aman Thakran*

### REGISTERED OFFICE

*Pearl Polymers Limited*

*A-97/2, Okhla Industrial Area*

*Phase-II, New Delhi- 110020*

*Phone No.:011-47385300*

*E-mail: [Pearlsecretarial@pearlpet.net](mailto:Pearlsecretarial@pearlpet.net)*

*Website: [www.pearlpet.net](http://www.pearlpet.net)*

### REGISTRAR & SHARE TRANSFER AGENT

*Mas Services Limited*

*T-34, 2<sup>nd</sup> Floor, Okhla Industrial Area,*

*Phase-II, New Delhi-110020*

*Phone No.:011-26387281-83*

*Fax No.: 011-26387384*

*E-mail: [info@masserv.com](mailto:info@masserv.com)*

*Website: [www.masserv.com](http://www.masserv.com)*

### STATUTORY AUDITORS

*Nikhil Goel & Associates*

*(Now Goel Goyal and Co.), Chartered Accountants*

*Flat No. 205, Mudgal - 5, Balaji Enclave, Shahberi,*

*Greater Noida-201309, UP*

### SECRETARIAL AUDITOR

*Rashmi Sahni, Company Secretary*

*184, Azad Market, Delhi - 110006*

### Work

*MAHAD: B-3/2, M.I.D.C. Industrial Area Mahad,*

*Distt.- Raigad, Maharashtra - 402309*

### BANKERS

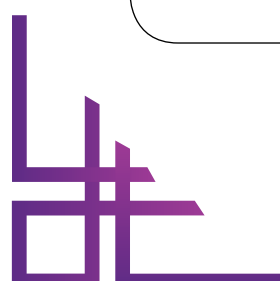
*ICICI Bank*

*Yes Bank*

*Bank of Baroda*

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## Pearl Polymers Limited

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

(CIN: L25209DL1971PLC005535)

Tel. No.:+91-11-47385300, Email: pearlsecretarial@pearlpet.net, Website: www.pearlpet.net

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the 52<sup>nd</sup> (**Fifty Second**) **Annual General Meeting** (“AGM”) of the Members of PEARL POLYMERS LIMITED will be held on **Thursday, the 28<sup>th</sup> day of September, 2023, at 05.00 P.M.** through video conferencing (“VC”)/Other Audio-Visual Means (“OAVM”) to transact the following businesses. The venue of the meeting shall be deemed to be the Registered Office of the Company.

#### ORDINARY BUSINESS

1. To receive, consider and adopt, the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023, together with reports of the Board of Directors and the Auditors thereon.
2. To appoint director in place of Mr. Amit Seth (DIN: 00017395), who retires by rotation and being eligible, offers himself for re-appointment.
3. **To approve the limits under Section 186**

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

**“RESOLVED THAT** pursuant to the provisions of the Section 186 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Meeting of Board and its Powers) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, approval of the members of the Company, be and is hereby accorded to the Board of Directors of the Company (hereinafter called ‘the Board’ which term shall be deemed to include any Committee which Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) to (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise the securities of any other body corporate, outstanding at any point of time, in excess of the permissible limits under Section 186(2) of the Companies Act, 2013 (presently being 60 percent of the Company’s paid up capital, free reserves and securities premium account or one hundred percent of the Company’s free reserves and securities premium account, whichever is more) subject to maximum aggregate amount of Rs.60 crores (Rupees Sixty Crores).

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to take from time to time all decisions and steps in respect of the above loans, guarantees, securities and investment including the timing, amount and other terms and conditions of such loans, guarantees, securities and investment and varying the same either in part or in full as it may deem appropriate and to do and perform all such acts, deeds, matters and things as may be necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard including power to sub-delegate in order to give effect to this resolution.

By Order of the **Board of Directors**

Aman Thakran  
Company Secretary  
(M. No. ACS66476)

Place: New Delhi

Date: 8<sup>th</sup> August, 2023

#### NOTES:

1. An Explanatory Statement in respect of Item No. 3 under Special Business of this Notice is annexed hereto.
2. **IN VIEW OF COVID-19 PANDEMIC, PURSUANT TO THE CIRCULAR NO. 14/2020 DATED APRIL 08, 2020; CIRCULAR NO. 17/2020 DATED APRIL 13, 2020; CIRCULAR NO. 20/2020 DATED MAY 5, 2020, CIRCULAR NO. 02/2021, DATED JANUARY 13, 2021, CIRCULAR NO. 19/ 2021 DATED DECEMBER 12, 2021, CIRCULAR NO. 2/2022; DATED MAY 5, 2022 AND ALL OTHER RELEVANT CIRCULARS ISSUED FROM TIME TO TIME BY THE MINISTRY OF CORPORATE AFFAIRS, PHYSICAL ATTENDANCE OF THE MEMBERS IN THE ANNUAL GENERAL MEETING (“AGM”) IS NOT REQUIRED AND GENERAL MEETING BE HELD THROUGH VIDEO CONFERENCING (VC) OR OTHER AUDIO VISUAL MEANS (OAVM). HENCE, MEMBERS CAN ATTEND AND**



**PARTICIPATE IN THE ENSUING AGM THROUGH VC/ OAVM.**

3. **SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE. HOWEVER, THE CORPORATE MEMBERS INTENDING TO SEND THEIR AUTHORIZED REPRESENTATIVES TO ATTEND THE AGM THROUGH VC/OAVM ARE REQUESTED TO SEND A CERTIFIED COPY OF THE BOARD RESOLUTION/POWER OF ATTORNEY AUTHORIZING THEIR REPRESENTATIVE TO ATTEND AND CAST THEIR VOTES THROUGH E-VOTING.**
4. The Company has appointed Ms. Rashmi Sahni, Practicing Company Secretary (Membership No. ACS: 25681; CP No: 10493, to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system during the AGM, in a fair and transparent manner.
5. Corporate/Institutional members (i.e. other than individuals, HUF, NRI, etc) are required to send scanned copy of its Board or governing body resolution/authorization etc., authorizing its representative to attend AGM through VC/ OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization be sent to the Scrutinizer by email through its registered email address to [csrashmi3011@gmail.com](mailto:csrashmi3011@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
6. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. Members can login and join the AGM 15 minutes prior to the scheduled time to start the AGM and the window for joining shall be kept open till the expiry of 15 minutes after the scheduled time to start the AGM. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members, on first-come-first-served basis. However, the participation of large members (members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Auditors can attend the AGM without restriction of first-come-first served basis. Instructions and other information for members for attending the AGM through VC/OAVM are given in this Notice.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General meeting (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) read with MCA Circulars and SEBI Circular, the Company is providing (i) facility of remote e-voting for voting before the AGM and (ii) facility of e-voting at the AGM to its Members in respect of the business to be transacted at the AGM to be held through VC/ OAVM. For this purpose, the Company has entered into an agreement with National securities Depository Limited (NSDL) as the Authorised e-voting agency for facilitating voting through electronic means. The facility of casting votes by a member using remote e-voting as well as e-voting system on the date of the AGM for such Members who are attending the Meeting and have not already cast their vote(s) by Remote e-voting will be provided by NSDL.
10. For ease of conduct, members who would like to ask questions/express their views on the items of the business to be transacted at the meeting can send in their questions/ comments in advance mentioning their name, demat account number/ folio number, email id, mobile number at [pearlsecretarial@pearlpet.net](mailto:pearlsecretarial@pearlpet.net). The same will be replied by the Company suitably. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
11. **The Register of members and share transfer books of the Company will remain closed from Friday, September 22, 2023 to Thursday, September 28, 2023 (both days inclusive) for the purpose of annual closure of books.**



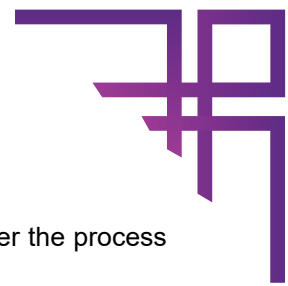
12. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc:
  - a. For shares held in electronic form: to their Depository Participants (DPs)
  - b. For shares held in physical form: to the Company/Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-POD-1/P/CIR/2023/37 dated March 16, 2023. The Company has sent letters on 30<sup>th</sup> May, 2023, for furnishing the required details. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website at [www.pearlpet.net/noticetoshareholders.html](http://www.pearlpet.net/noticetoshareholders.html) and on the website of the Company's Registrar and Transfer Agents, MAS Services Limited at [www.masserv.com](http://www.masserv.com). It may be noted that any service request can be processed only after the folio is KYC Compliant.

***Members holding shares in physical form are requested to dematerialize their holdings at the earliest.***

13. In compliance with the MCA and SEBI Circulars, the Notice of the AGM along with the Annual Report 2022- 23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice calling AGM along with the explanatory statement and Annual Report 2022-23 are available on the website of the Company at [www.pearlpet.net](http://www.pearlpet.net) and on the website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of National Securities Depository Limited (NSDL) i.e. [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) (the Authorised agency for providing voting through electronic means and AGM through VC/OAVM). Company's web-link on the above will also be provided in advertisement being published in Financial Express (English edition) and Hari Bhoomi (Hindi edition).
14. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company Secretary or Mas Services Limited, Company's Registrar and Share Transfer Agents ("RTA") (Tel. No. 011 26387281/82/83) for assistance in this regard.
15. Members who have not yet registered their e-mail addresses are requested to register the same with their Depository Participants ("DP") in case the shares are held by them in electronic form and with the Company/RTA in case the shares are held by them in physical form.
16. For receiving all future correspondence (including Annual Report) from the Company electronically—  
In case you have not registered your email ID with the Company/ Depository, please follow below instructions to register your email ID for obtaining Annual Report for FY 2022-2023 and login details for e-voting.

#### **Physical Holding**

Send a signed request letter to Registrar and Transfer Agents of the Company, MAS Services Limited at [info@masserv.com](mailto:info@masserv.com) providing Folio Number, Name of the Shareholder, scanned copy of the Share Certificate (Front and Back), PAN (Self attested scanned copy of PAN Card), AADHAR (Self attested scanned copy of Aadhar Card) with subject line (Register E-mail ID Folio No (Mention Folio No) of Pearl Polymers Limited.



## Demat Holding

Please contact your Depository Participant (DP) and register your email address as per the process advised by DP.

17. Further, those members who have not registered their e-mail addresses and mobile nos. and in consequence could not be served the Notice of the AGM and Annual Report may temporarily get themselves registered with RTA by emailing for obtaining the same. Members are requested to support our commitment to environmental protection by choosing to receive the Company's communications through e-mail going forward.
18. In case a person has become a member of the Company after dispatch of the AGM Notice, but on or before the cut-off date for e-voting i.e. Thursday, September, 21, 2023, such person may obtain the User ID and Password from RTA by e-mail request on [info@masserv.com](mailto:info@masserv.com)
19. With a view to helping us serve the members better, members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company/ RTA to consolidate their holdings in one folio.
20. In terms of Section 72 of the Companies Act, 2013 and the applicable provisions, the shareholders of the Company may nominate a person in whose name the shares held by him/them shall vest in the event of his/their death. Shareholders desirous of availing this facility may submit the requisite nomination form.
21. Pursuant to Section 125 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the amount of fixed deposit remaining unpaid /unclaimed for a period of seven years has been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government of India. Further, the Company has uploaded the necessary information in respect of the unclaimed amount on the website of IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in) and on the Company's website at [www.pearlpet.net](http://www.pearlpet.net)
22. In terms of SEBI Circular dated 09/12/2020, the depository shall send SMS/email alerts regarding the details of the upcoming AGM to the demat holders atleast 2 days prior to the date of commencement of e-voting. Hence members are requested to update the mobile no./email ID with their respective depository participants.
23. The documents referred to in the proposed resolutions are available for inspection at its Registered Office of the Company during normal business hours on any working day except Saturdays, upto the date of meeting.
24. Instructions for e-voting and joining the AGM are as follows:

In terms of the provisions of section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014, as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and regulation 44 of the SEBI Listing Regulations, the Company is providing facility of remote e-voting to exercise votes on the items of business given in the Notice 52<sup>nd</sup> Annual General Meeting (AGM) through electronic voting system, to members holding shares as on **Thursday, September 21, 2023** (end of day), being the cut-off date fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by NSDL or to vote at the e-AGM.

### **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE ASUNDER:-**

**The remote e-voting period commences on Monday, September 25, 2023 (09:00 am) and ends on Wednesday, September 27, 2023 (05:00 pm). The remote e-voting module shall be disabled for voting after 5.00 PM on Wednesday, September 27, 2023. No remote e-voting shall be allowed beyond the said date and time. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Thursday, September 21, 2023, may cast their vote electronically by way of remote e-voting or by e-voting at the AGM. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Thursday, September 21, 2023.**







## How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

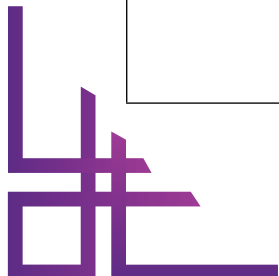
### Step 1: Access to NSDL e-Voting system

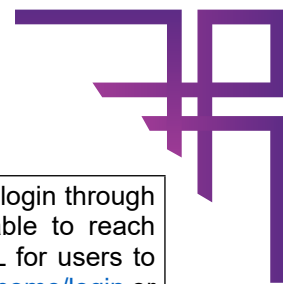
A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in dematmode with NSDL.</p>	<ol style="list-style-type: none"> <li>1. If you are already registered for <b>NSDL IDeAS facility</b>, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “<b>Beneficial Owner</b>” icon under “Login” which is available under “<b>IDeAS</b>” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “<b>Register Online for IDeAS</b>” Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>





<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.**

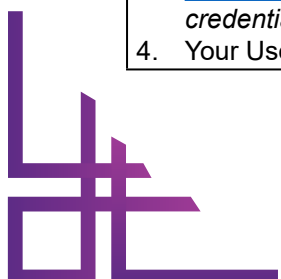
Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

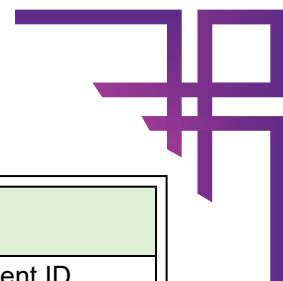
Login type	Helpdesk details
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43</p>

**B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
- Your User ID details are given below :





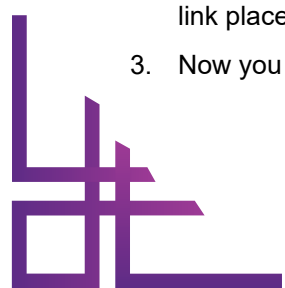
Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

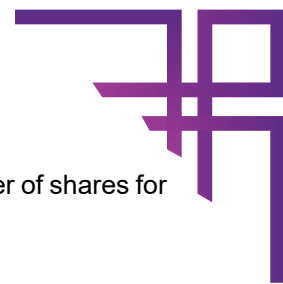
5. Password details for shareholders other than Individual shareholders are given below:
- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - How to retrieve your 'initial password'?
    - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL to your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- Click on "[Forgot User Details/Password?](#)" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - [Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

## Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

### How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
- Now you are ready for e-Voting as the Voting page opens.





4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### General Guidelines for shareholders

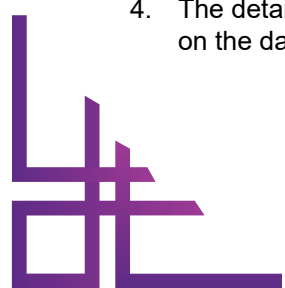
1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [csrashmi3011@gmail.com](mailto:csrashmi3011@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/ Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Amit Vishal, Assistant Vice president, NSDL [atevoting@nsdl.co.in](mailto:atevoting@nsdl.co.in). Further, members may also contact Mr. Deepanshu Rastogi, Assistant Manager, MAS Services Limited, RTA of the Company at T-34, 2<sup>nd</sup> Floor, okhla Industrial Area, Phase-II, New Delhi-110020, Phone No. 011-26387281/82/83, EMail [info@masserv.com](mailto:info@masserv.com)

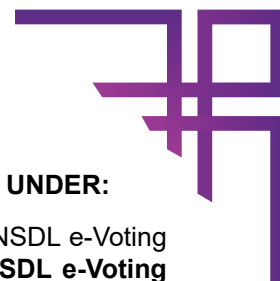
#### Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please send signed request with Folio No., Name of shareholder, scanned copy of any one share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [info@masserv.com](mailto:info@masserv.com).
2. In case shares are held in demat mode, please update your email id with your depository. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively, shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

#### THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF AGM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.



**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join General meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [pearlsecretarial@pearlpet.net](mailto:pearlsecretarial@pearlpet.net). The same will be replied by the company suitably.

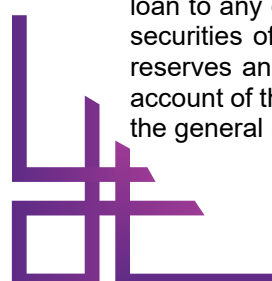
**General Instructions**

- i. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- ii. The Company has appointed Ms. Rashmi Sahni, Practicing Company Secretary (Membership No. ACS: 25681; CP No: 10493, to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system during the AGM, in a fair and transparent manner.
- iii. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, for all those members who are present VC / OAVM at the AGM but have not cast their votes by availing the remote e-voting facility.
- iv. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- v. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.pearlpet.net](http://www.pearlpet.net) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the BSE Limited.

**EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013****ITEM NO. 3**

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate as and when required.

Members may note that pursuant to Section 186 of the Companies Act, 2013 (“Act”), read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended to date, provides that no company is permitted to, directly or indirectly, (a) grant/give loans, from time to time, on such terms and conditions as it may deem expedient, to any person or bodies corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person and (c) acquire by way of subscription, purchase or otherwise the securities of any other bodies corporate, over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, without prior approval of Members by special resolution passed at the general meeting.







In view of the aforesaid, it is proposed to take approval under Section 186 of the Companies Act, 2013, by way of special resolution, up to a limit of Rs. 60 Crores (Rupees Sixty Crores, as proposed in the Notice).

The above proposal is in the interest of the Company and the Board recommends the Resolution as set out at Item No. 3 for approval by the members of the Company.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

The Board recommends this Resolution for your approval.

By Order of the **Board of Directors**

Aman Thakran

Company Secretary

(M. No. ACS66476)

Place: New Delhi

Date: 8<sup>th</sup> August, 2023

<b>Additional information on Director recommended for re-appointment as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard-2</b>	
Particulars	Mr. Amit Seth (DIN: 00017395)
Age (years)	52 Years
Qualification	Bachelor's degree in Business Administration from USA
Experience and expertise	Mr. Amit Seth has a rich experience of over 30 years in various fields like operations, legal, financial, taxation etc. He has been actively involved in planning and framing of business strategies for introducing new products and clients for the Company. He has made significant contributions in the growth of Company.  Mr. Amit Seth has been working with the Company as Executive Director of the Company since 2011.
Terms & Conditions of appointment/ Reappointment	Liable to retire by rotation
Details of Remuneration sought to be paid	42 Lacs p.a. plus other perquisites and benefits as approved by the members in the 50 <sup>th</sup> Annual General Meeting
Remuneration last drawn	31 Lacs p.a. (approx.) plus other perquisites and benefits as approved by the members and within the limits prescribed under Companies Act, 2013
Date of first appointment on the Board	10 <sup>th</sup> August, 2021
Shareholding in the Company	7,22,533
Relationship with other Directors, Manager and Key Managerial Personnel	Mr. Amit Seth is son of Mr. Chand Seth, Chairman Emeritus, and brother of Mr. Udit Seth and Mr. Varun Seth, who are Chairman & Managing Director and Whole Time Director of the Company, respectively.
Number of board meeting(s) attended during the year	Four (4)
Other directorships	<u>Private Companies:</u> MRK Shares and Stocks Private Limited Pearl Telefonics Private Limited Pacific Pearl Finance & Leasing Private Limited Theta Investments Private Limited <u>Public Companies:-</u>
Memberships / Chairpersonship of committees	None
Name of listed entities from where the person has resigned in the past three years	None



## BOARD'S REPORT

### TO THE MEMBERS,

Your Directors are pleased to present the 52<sup>nd</sup> Annual Report of Pearl Polymers Limited ("the Company") for the financial year ended March 31, 2023.

### FINANCIAL SUMMARY

The Company's financial performance for the financial year ended March 31, 2023 in comparison to previous financial year is summarized below:

(Rs. in Lakhs)

Particulars	2022-23	2021-22
Total Revenue	1949.40	10477.17
Total expenses	2752.57	7690.65
Profit/(loss) before exceptional items and tax	(803.17)	2786.52
Less: Tax Expenses	14.10	602.14
Profit/Loss after tax	(817.27)	2184.38

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

The Financial results for the year 2022-23 are not comparable with that for the year 2021-22 due to completion of slump sale transaction with Manjushree Technopack Limited ("MTL"). On April 12, 2021, the transaction of slump sale was completed, at a lumpsum amount of Rs. 8758.72 Lakhs without values being assigned to any individual assets and liabilities. During the year under consideration on Standalone basis your Company has achieved total Revenue of Rs. 1949.40 Lakhs as against Rs. 10477.17 Lakhs in the relevant previous financial year. There is a net loss of Rs. 817.27 Lakhs as compared to net profit of Rs. 2184.38 Lakhs in the previous year.

### ECONOMIC OUTLOOK, KEY CHALLENGES AND RESPONSE

The industry's performance is often closely tied to the overall global economic situation. Economic growth or recession can impact consumer spending on non-essential items like pet-bottles and kitchenware. India's beverage and packaged food industries were experiencing robust growth, which was driving the demand for PET bottles and jars. The convenience and cost-effectiveness of PET packaging contributed to this trend.

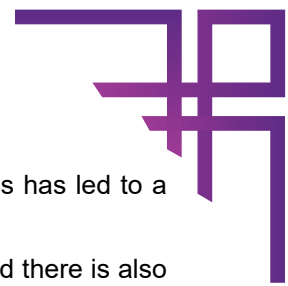
The Indian government had initiated campaigns like "Make in India" and "Atmanirbhar Bharat" (self-reliant India) to boost domestic manufacturing, which could benefit the PET packaging industry. There was increasing pressure on industries to adopt more sustainable and eco-friendly practices due to concerns about plastic waste and pollution. This posed a challenge to PET manufacturers as PET is a type of plastic.

Innovations in materials, manufacturing processes, and distribution channels can significantly impact the industry's competitiveness. There is a growing demand for sustainable and circular solutions in the plastic industry, such as the use of recycled materials, biodegradable plastics, and closed-loop recycling systems. The PET industry is sensitive to fluctuations in the prices of raw materials, such as petrochemicals. Any substantial increase in these costs could affect profitability.

The PET packaging industry in India was highly competitive, with many players vying for market share. Maintaining competitiveness while meeting sustainability goals was a challenge. Manufacturers needed to invest in modern machinery and technology to enhance efficiency and reduce production costs.

India is going digital and the pandemic has accelerated this shift. Even before the COVID-19 pandemic, India's e-commerce sector had begun to gain immense traction as people swayed from physical shopping and gravitated towards online shopping. The pandemic accelerated this adoption of e-commerce and India, today, is one of the fastest-growing e-commerce markets in the world with an estimated 330 million online shoppers.

Consumers are flocking online for almost all their needs - from groceries and essentials to clothing and accessories. Moreover, goods that will come in useful during long periods at home are seeing increased sales.



Brands have been compelled to develop an online presence even if they had none before. This has led to a massive spurt in Direct to Consumer (D2C) brands.

The economy is now enabling people to cater to niche segments of consumers economically and there is also a rise in digital entrepreneurs. Brands are also realizing the need to approach consumers directly rather than going to marketplaces to build private labels. Moreover, payment infrastructure and integration with multiple payment options and the demand for niche products has led to the surge in the number of D2C brands.

We are proud to have brought a new thought process to the Indian kitchen by making the first safe, transparent, unbreakable, odorless plastic jars & bottles. We have been expanding our range to include trendy steel, glass, biodegradable and other products. Pearlpet is synonymous with quality and consumer satisfaction as the leading manufacturer of kitchen jars, containers, bottles, and other storage solutions. Pearlpet is the one-stop-shop for those seeking safe and durable storage solutions. We also produce durable products in rust-free materials and are the pioneers of primary food packaging in India. Constantly seeking to improvise and grow, Pearlpet is heavily focused on innovating through its thorough R&D department, accelerating Pearlpet towards the international market and garnered several awards nationally and internationally. Taking pride in our products' utility to our consumers, Pearlpet has made conscious choices to develop and produce air-tight, highly durable, and 100% recyclable products.

## RESERVES

The Reserves and Surplus (excluding Revaluation Reserve) of the Company as on March 31, 2023 stood at Rs. 1985.54 Lakhs. No amount is proposed to be transferred to reserves during the year.

## DIVIDEND

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

## SHARE CAPITAL

The Company's Capital Structure remains unchanged during the financial year 2022-23.

## MATERIAL CHANGES AFFECTING FINANCIAL POSITION BETWEEN END OF FINANCIAL YEAR AND DATE OF REPORT

There are no material changes and commitments that affect the financial position of the Company between the date of closure of Financial Year and the date of this report.

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

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

## DEPOSITS

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

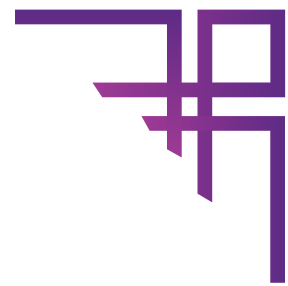
## INVESTOR EDUCATION AND PROTECTION FUND

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

## CORPORATE SOCIAL RESPONSIBILITY

The Company has formulated a Corporate Social Responsibility (CSR) Policy to undertake CSR initiatives as specified under Schedule VII of the Companies Act, 2013, the policy is available on the website of the Company <https://pearlpet.net/about-us/#investor-relations>. The Annual Report on CSR activities is annexed as **Annexure - 'III'** and forms an integral part of this report.





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

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

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the year under review, following changes took place in the Board and Key Managerial Personnel of your Company:

- i. Mr. Aman Thakran was appointed as Company Secretary and Compliance Officer of the Company of the Company with effect from May 26, 2022.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Amit Seth, Whole Time Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The brief resume of Mr. Amit Seth as required under the Listing Regulations and Secretarial Standards is provided in the Notice of the 52<sup>nd</sup> Annual General Meeting of the Company. The requisite resolution pertaining to the re-appointment appears at the respective item of the Notice along with the Statement and is recommended to the Members for approval.

## **DECLARATION BY INDEPENDENT DIRECTOR**

The Company has received declarations from the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, in terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs.

In the opinion of the Board, Independent Directors fulfill the conditions specified in the Act, Rules made thereunder and Listing Regulations and possess relevant expertise & experience and are independent of the management.

## **BOARD EVALUATION**

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual Directors as per the formal mechanism for such evaluation adopted by the Board pursuant to Companies Act, 2013 and Regulation 17 (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The exercise of performance evaluation was carried out through a structured evaluation process covering various aspects of evaluation. Any member of the Board did not participate in the discussion of his/her evaluation. Performance evaluation of Independent Directors was carried out by the entire board, excluding the Independent Director being evaluated.

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

## **NOMINATION AND REMUNERATION POLICY**

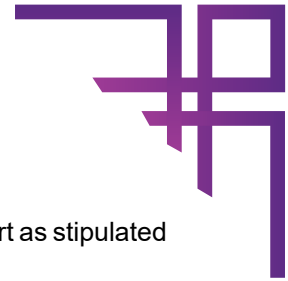
Your Company has adopted a Nomination and Remuneration Policy as required by Section 178 of the Companies Act, 2013, which provides for the appointment and removal of Directors, Key Managerial Personnel & senior management, board diversity and their remuneration including criteria for determining qualifications, positive attributes, independence of a director etc. The remuneration paid is as per the Policy. The details of such policy can be viewed on the Company's website <https://pearlpet.net/about-us/#investor-relations>.

## **NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS**

The Board of Directors met 4 (Four) times during the financial year 2022-23, the details of which are given in the Corporate Governance Report which forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013.

A separate meeting of the Independent Directors was also held to review the performance of Non-independent Directors and overall performance of the board.





## AUDIT COMMITTEE

The Composition of Audit Committee of the Company is described in Corporate Governance Report as stipulated under Listing Regulations, which forms integral part of this Report.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees or Investments, if any, covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

## RISK MANAGEMENT AND INTERNAL FINANCIAL CONTROL

The Company has put in place a policy and mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on continuing basis. There are no risks which in the opinion of the Board threaten the existence of the Company. Your Company has an Internal Financial Control System which was operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

## INSIDER TRADING CODE

The details regarding insider trading code are given in the Corporate Governance section of the Annual Report. Your Company has also adopted a policy for determination of legitimate purposes in line with the PIT (Amendment) Regulations, 2018 as a part of Code of practices and procedures of fair disclosures of unpublished price sensitive information.

## VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Your Company is committed to highest standards of ethical, moral and legal business conduct. The Company has a policy on whistle blower and vigil mechanism for providing a framework to promote responsible and secure whistle blowing. It protects Directors and employees wishing to raise a concern about serious irregularities within the Company. The Policy is available on the Company's website at <https://pearlpet.net/about-us/#investor-relations>.

During FY 2022-23, no complaint was received. Further, no individual was denied access to the Audit Committee for reporting concerns, if any.

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

Your Company has a policy on prevention of Sexual Harassment in line with the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and has constituted the Internal Complaints Committee. All employees (Permanent, Contractual, Temporary, Trainees) are covered under this policy. The Company has not received any complaint of sexual harassment during the financial year 2022-23.

## PARTICULARS OF EMPLOYEES AND REMUNERATION

The Disclosure required under Section 197(12) of the Act read with the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **Annexure - 'IV'** and forms an integral part of this Report. A statement comprising the names of top 10 employees and other details in terms of remuneration drawn in terms of Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms an integral part of this annual report but the said statement is not being sent along with this annual report to the members of the Company in line with the provisions of Section 136 of the Act. However, the said information 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 AGM. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company on any working day of the Company up to the date of the ensuing Annual General Meeting.

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

Particulars in respect of Conservation of Energy, Technology absorption and Foreign Exchange earnings and







outgo as required under section 134 (3)(m) of the Companies Act, 2013, read with the rules there under, are provided in **Annexure -'I'** to this report.

## DIRECTORS' RESPONSIBILITY STATEMENT

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

- I. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- II. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit and loss of the Company for that period;
- III. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- IV. The Directors have prepared the annual accounts on a going concern basis;
- V. The Directors have laid down internal financial controls which were followed by the Company and such internal financial controls are adequate and were operating effectively; and
- VI. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

## AUDITORS

### a) Statutory Auditors

Statutory Auditors and Auditor's Report

The shareholders of the Company at 51st AGM held on September 29, 2022 had appointed M/s. Nikhil Goel & Associates (ICAI Registration No-020934C), as the Statutory Auditors of the Company for a term of 5 years.

The Notes on financial statement referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation, adverse remark or disclaimer. There are no frauds reported in the reports of the Auditors as mentioned under sub-section (12) of Section 143 of the Act.

(Note: The Company received an intimation dated 29<sup>th</sup> July, 2023, from the statutory auditors of the Company M/s Nikhil Goel & Associates, Chartered Accountants (FRN: 020934C) that the firm stands re-constituted from Proprietorship Firm to a Partnership Firm w.e.f 1<sup>st</sup> June, 2023 and the name of the Firm has been changed from M/s Nikhil Goel & Associates to Goel Goyal and Co. w.e.f. 14<sup>th</sup> June, 2023. They further communicated that the Registration Number of the Firm (FRN: 020934C) remains the same. It is to bring into the notice that the Financial Statements for the financial year 2022-23 have been signed by Mr. Nikhil Goel in the capacity of being the Proprietor at the time of signing the financials)

### b) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors appointed Ms. Rashmi Sahni (Certificate of Practice No. 10493) Practising Company Secretary, to undertake the Secretarial Audit of the Company for FY 2022-23. Copy of Secretarial Audit Report is annexed as **Annexure-'II'** to this report

The Secretarial Audit Report of your Company does not contain any qualification, reservation or adverse remark.

### c) Internal Auditor

During the year under review Internal Auditors, Nikhil Goel & Associates tendered their resignation from the office of Internal Auditor w.e.f 2<sup>nd</sup> August, 2022, citing the reason to pursue better opportunities. Consequently, the Board of Directors of the Company in its meeting held on 14<sup>th</sup> November, 2022, appointed Sehgal Mehta and Co., as the Internal Auditors of the Company, effective from the same date.





#### d) Cost Auditor

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

#### COMPLIANCE WITH THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (“ICSI”) SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on meetings of Board of Directors, its Committee(s) and General Meetings.

#### STATUTORY COMPLIANCES

The Board periodically reviews the mechanism put in place by the management to ensure the compliances with Laws and Regulations as may be applicable to the Company as well as the steps taken by the Company to rectify the instances of non-compliances, if any.

#### RELATED PARTY TRANSACTIONS

During the year, there were no transactions with related parties which were not at arm's length and not in the ordinary course of business as per the provisions of section 188 of the Companies Act, 2013 or materially significant or which were in conflict with the interests of the Company and that require an approval of the Company's shareholders in terms of the Companies Act or SEBI Listing Regulations. Accordingly, the disclosure of the transactions in Form AOC-2 is not applicable to your Company.

All Related Party Transactions are placed before the Audit Committee and the Board for review and approval. The transactions entered into pursuant to the omnibus approval so granted are placed before the Audit Committee and the Board of Directors for their review on a quarterly basis. The detailed policy on Related Party Transactions is available on the website of the Company at <https://pearlpet.net/about-us/#investor-relations>. The details regarding Related Party Transactions are contained in the Notes to Financial Statements.

#### ANNUAL RETURN

Pursuant to Sec 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the copy of Annual Return can be accessed at Company's website at <https://pearlpet.net/about-us/#investor-relations>.

#### CORPORATE GOVERNANCE REPORT

A Separate report on Corporate Governance along with certificate from Ms. Rashmi Sahni, Practicing Company Secretary confirming compliance with the requirement of Corporate Governance as stipulated under SEBI (LODR) Regulations, 2015 as amended from time to time, forms an integral part of the Annual Report.

#### CAUTIONARY STATEMENT

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

#### ACKNOWLEDGEMENT

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. The Boards of Directors also wish to place on record its deep sense of appreciation for the committed services by the Company's executives, staff and workers.

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

For & on behalf of the Board of Directors

Udit Seth  
Chairperson and Managing Director  
(DIN: 00005403)

Place: New Delhi  
Date: 8<sup>th</sup> August, 2023



## A. CONSERVATION OF ENERGY

### I. The steps taken or impact on conservation of energy;

The activism in energy conservation & its management comes from the increased demand of energy and its cost in the current scenario. The interest in energy efficiency is increasing at local consumption level, corporate level and the national level. It is important to address the environmental concerns resulting from the use of energy and also there are concerns about energy security. This issue has gained prominence in achieving sustainable development of the industry.

Energy conservation means the change in the pattern of energy consumption and pursued efforts in reducing the increasing growth in energy consumption.

Pearl always focus on reducing energy consumption as it opens up opportunities for innovation and improved efficiency, while reducing risks arising from price volatility and helping us manage natural resources. Effective measures have been taken to monitor consumption of energy during the process of manufacture. Continuous monitoring and awareness amongst employees have helped to avoid wastage of energy.

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

The company has switched to low power lights in all its offices and warehouses.

### III. The capital investment on energy conservation equipment's;

During the year, there has been no capital investment by the Company on energy conservation equipment.

## B. TECHNOLOGY ABSORPTION

### I. The efforts made towards technology absorption;

New moulds and processes are being used to create products for the new Indian kitchen.

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

i. Through its rigorous R&D, your Company managed to manufacture 100% recyclable and environment friendly products which are Non-toxic, Food-grade and Re-usable.

ii. Also developed new designs to attract more consumers.

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

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

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

To reduce our rejection levels and enhance customer satisfaction level, we have improved the quality of our products by making the significant development in moulds and other R&D. The amount spent on the same is Rs. 30.38 Lakhs

## C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(Rs. in Lakhs)

Particulars	2022-23	2021-22
Total Foreign Exchange earned	Nil	Nil
Total Foreign Exchange outgo	6.92	37.78

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2023

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

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

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by "**Pearl Polymers Limited**" (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

**Management's Responsibility for Secretarial Compliances**

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

**Auditor's Responsibility**

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

**Opinion**

Based on my verification of the Company's books, papers, minute books, forms and returns filed and soft copies of other records maintained by the Company and also the information electronically provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit and subject to Management Representation Letter and Compliance Certificates confirming compliance with all laws applicable to the Company. I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 ("**Audit Period**"), complied with the statutory provisions listed hereunder and also that the Company has in proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder, as applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (*not applicable since there is no action/ event in pursuance of said regulation*)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations");
  - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (*not applicable during the Audit Period*)

- e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; *(not applicable during the Audit Period)*
- f. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; *(not applicable during the Audit Period)*
- g. 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 during the Audit Period)*
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; *(not applicable during the Audit Period)* and
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; *(not applicable during the Audit Period)*

Other laws specifically applicable to the Company and/or followed by the Company:

- (i) The Legal Metrology Act, 2009
- (ii) Trade Mark Act, 1999

I have also examined compliance with the applicable clauses of the Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India ("Standards").

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

#### **Recommendations as a matter of best practice:**

In the course of our audit, we have made certain recommendations for good corporate practices to the compliance team, for its necessary consideration and implementation by the Company.

I further report that

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition, if any, of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in compliance to applicable provisions of the Companies Act, 2013 and Secretarial Standards, 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. The minutes of the Board Meetings and Committee Meetings have not identified any dissent by members of the Board/Committee of the Board, respectively hence I have no reason to believe that the decisions by the Board were not approved by all the directors present.
4. The Company has proper Board processes except as aforesaid.

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

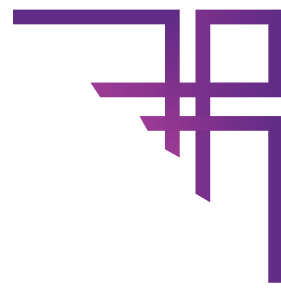
I further report that during the financial year under review, there are no specific events having any major bearing on the Company's affairs in pursuance of the law, regulations, guidelines, standards, etc., referred to above.

**Rashmi Sahni**  
**Practicing Company Secretaries**  
**Membership No. 25681**  
**Certificate Practice No. 10493**  
**PRC No.:1614/2021**  
**UDIN: A025681E000760261**

**Place: Delhi**  
**Date: 08-08-2023**

**Annexure A**





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

My report of even date is to be read along with this letter:

**Management's Responsibility:**

- a. The compliance of provisions of all laws, rules, regulations, standards applicable to Pearl Polymers Limited (hereinafter called 'the Company') is the responsibility of the management of the Company. My examination was limited to the verifications of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
- b. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

**Auditor's Responsibility:**

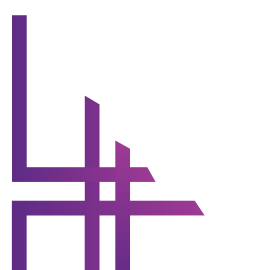
- c. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- d. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- e. Wherever required, I have obtained the Management Representation Letter and Compliance Certificates about the compliance of laws, rules and regulations and happening of events etc.
- f. Wherever our Audit has required our examination of books and records maintained by the Company, we have also relied upon electronic versions of such books and records, as provided to us through online communication.
- g. The Compliance of the provisions of corporate and other applicable laws, and regulations, standards is the applicability of management. My examination was limited to the verification of procedures on test basis.
- h. For the purpose of other laws, we relied on the reports of the internal auditor and Compliance certificates provided by the Company.

**Disclaimer:**

- i. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Place: Delhi**  
**Date: 08-08-2023**

**Rashmi Sahni**  
**Practicing Company Secretaries**  
**Membership No. 25681**  
**Certificate Practice No. 10493**  
**PRC No.:1614/2021**  
**UDIN: A025681E000760261**



## THE ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (“CSR”) ACTIVITIES

### 1. Brief outline on CSR Policy of the Company

The Company’s approach towards CSR is to contribute in the welfare of all its Stakeholders including the community and the Society at large. The Company has contributed towards CSR through Bhushur Welfare Foundation, a Company incorporated under Section 8 of the Companies Act, 2013. Company’s vision is to create value for the nation, enhance quality of life across the entire socio-economic spectrum and build an inclusive India. The major areas and projects that have been undertaken are (i) Distribution of food and health supplements among under privileged areas and rural areas. (ii) Organizing preventive health checkups in the rural areas.

### 2. Composition of CSR Committee:

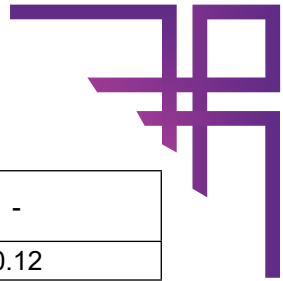
Since the amount to be spent towards CSR was less than the limit given for formation of the Committee, Mr. Udit Seth, Managing Director of the Company was duly authorized to do all such acts and deeds as are necessary to carry out all the activities that related to the amount to be spent towards CSR.

3. Provide the web-link where composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company: **www.pearlpet.net**
4. Provide the details of impact assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): **Not Applicable**
5. Average net profit of the Company as per section 135(5): **Rs. 43.76 Lakhs**
6. (a) Two percent of average net profit of the company as per section 135(5): **Rs. 0.88 Lakhs**  
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NIL**  
 (c) Amount required to be set off for the financial year, if any: **NIL**  
 (d) Total CSR obligation for the financial year (6a+6b-6c): **Rs. 0.88 Lakhs**
7. (a) Amount Spent on CSR Project (both on ongoing and other than ongoing): **Rs. 0.97 Lakhs**  
 (b) Amount spent on administrative overheads: **Rs. 0.03 Lakhs**  
 (c) Amount spent on impact assessment, if any: **NA**  
 (d) Total amount spent on CSR for the financial year (7a+7b-7c): **Rs. 1 Lakhs**
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (Rs. in Lakhs)	Amount Unspent (Rs. in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
1	Nil				

- (b) Excess amount for set off, if any.

S. No.	Particulars	Amount (in Rs. Lakhs)
1	Two percent of average net profit of the Company as per sub-section (5) of section 135	0.88
2	Total amount spent for the Financial Year	1
3	Excess amount spent for the Financial Year [(ii)-(i)]	0.12



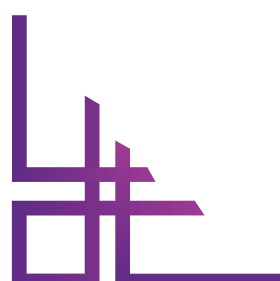
4	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
5	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	0.12

9. (a) Details of Unspent CSR amount for the preceding three financial years: **NIL**
- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **NIL**
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **Not Applicable**
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **Not Applicable**

Udit Seth  
(Chairman & Managing Director)

Place: New Delhi

Date: 8<sup>th</sup> August, 2023



**STATEMENT OF DISCLOSURE OF REMUNERATION UNDER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- (1) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2022-23:

Name of the Director	Designation	Ratio of remuneration of Directors to Median remuneration of all Employees*
Mr. Udit Seth	Chairman & Managing Director	11.47
Mr. Varun Seth	Whole Time Director	13.69
Mr. Amit Seth	Whole Time Director	11.47

\*Median Remuneration is calculated after taking into consideration the Cost to the Company

- (2) Percentage increase in remuneration of each Director on the Board, CFO and CS during the Financial Year 2022-23:

Name of the Directors	Designation	% increase
Mr. Udit Seth	Chairman & Managing Director	-
Mr. Varun Seth	Whole Time Director	-
Mr. Amit Seth	Whole Time Director	-
Mr. Sanjeev Rikhi	Chief Financial Officer	-
Mr. Aman Thakran	Company Secretary	*

\* Appointed as KMP during the Financial Year

Notes

- There is no increase in the salary of Mr. Udit Seth, Mr. Varun Seth, Mr. Amit Seth and Mr. Sanjeev Rikhi during the year.
- Since Mr. Udit Seth and Mr. Amit Seth were appointed as Whole Time Director in the middle of the last year, their remuneration related to previous year has been annualised for this calculation.
- During the year, no Independent & Non-Executive Director is paid any remuneration except sitting fee as mentioned in the Corporate Governance Section of the Annual Report.

- (3) Percentage increase in the Median Remuneration of Employees in the Financial Year 2022-23: **32.83**

2022-23	2021-22	Increase %
409128	308016	32.83

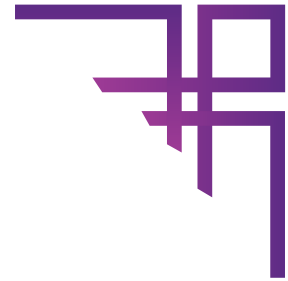
- (4) The number of permanent employees on the rolls of the Company: **75 as on 31.03.2023**

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

Particulars	Increase %
% increase in median salary of employees	32.83
% increase in average salary of managerial personnel	-

Notes: 1. Median Remuneration is calculated after taking into consideration the Cost to the Company

- (6) Affirmation that the remuneration is as per the remuneration policy of the Company: **We affirm that remuneration paid by the Company is as per the Remuneration policy of the Company.**



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### INDUSTRY STRUCTURE AND DEVELOPMENT

India is currently the world's sixth largest economy and one of the fastest-growing large countries, with an annual gross domestic product (GDP) growth rate of mid to high single digit percentage, a momentum that is expected to sustain over the next five to ten years. In purchasing power parity terms, India ranks third behind the United States and China.

Domestic consumption, which powers 60% of the GDP today, is expected to grow into a \$6 trillion opportunity by 2030. This consumption growth will be supported by a 1.4 billion strong population that is younger than that of any other major economy. Household savings have historically been high as thrifty and cautious Indian families put away more than a fifth of their incomes for a rainy day. This buffer provides support to domestic consumption expenditure even through challenging cycles in economic activity.

The vision for the future of consumption in India is anchored in the growth of the upper-middle income and high-income segments, which will grow from being one in four households today, to one in two households by 2030. The country, one of the last big consumer markets, is still up for grabs.

Over the next decade, one of the biggest changes in India will be the coming of age of liberalization's true children – the nearly 700 million people born through the late 1980s to the 2000s. With a median age of 28 years, India is a nation of young working-age persons who drive both income and consumption. It will continue to remain young up to 2030 with a median age of 31 years. These individuals will have grown up in a more open and confident India and will not carry the cultural or economic baggage of their predecessors. This is a generation on the move that aspires to a materially better life, backed by the ability to spend and make it a reality.

One of the most challenging and exciting implications for companies in India is the opportunity to shape consumption patterns – in terms of categories consumed, brands purchased or ways of accessing products and information. India's unique combination of preferences, aspirations and prudence will require innovation specifically for this market. A massive increase in internet penetration will lead to more than a billion internet users in India by 2030.

Those who are more connected have a keener sense of what is “desirable” and are willing to invest in more comfortable living – including a greater spend on household durables and services.

The GDP growth in the fourth quarter has pushed up the full-year GDP growth of FY2022–23 to 7.2%. We expect India to grow between 6% and 6.3% in FY2023–24 and have a stronger outlook thereafter. In fact, if global uncertainties recede, we expect growth to surpass 7% over the next two years.

India's revival in consumer spending is likely to be driven by households that earn more than a million rupees a year when the lockdown is lifted. Consumer sentiment survey data suggest that while all income groups are worse off than they were earlier, richer households are doing better than the rest on the sentiment front. These are the least affected households and most likely with the best savings.

India is going digital and the pandemic has accelerated this shift. Even before the COVID-19 pandemic, India's e-commerce sector had begun to gain immense traction as people swayed from physical shopping and gravitated towards online shopping. The pandemic accelerated this adoption of e-commerce and India, today, is one of the fastest-growing e-commerce markets in the world with an estimated 330 million online shoppers over the past year.

Consumers are flocking online for almost all their needs - from groceries and essentials to clothing and accessories. Moreover, goods that will come in useful during long periods at home are seeing increased sales. Brands have been compelled to develop an online presence even if they had none before. This has led to a massive spurt in Direct to Consumer (D2C) brands.

The economy is now enabling people to cater to niche segments of consumers economically and there is also a rise in digital entrepreneurs. Brands are also realizing the need to approach consumers directly rather than going to marketplaces to build private labels. Moreover, payment infrastructure and integration with multiple payment options and the demand for niche products has led to the surge in the number of D2C brands.

PearlPET is the houseware brand of Pearl Polymers, the leading manufacturer of rigid packaging and house







ware products since its inception in 1971. We offer the widest range of jars and bottles for usage in the kitchen, home and offices.

Now the Company is operating with its B2C Business segment only which is widely known as PearlPET.

PearlPET is proud to be seen as a mark of quality in the minds of all our consumers. We endeavor to give you a wide & unique variety of storage options to help keep your food safe and hygienic using state of the art technology and precision engineering.

We are proud to have brought a new thought process to the Indian kitchen by making the first safe, transparent, unbreakable, odorless plastic jars & bottles. We are now expanding our range to include trendy steel, glass, biodegradable and other products.

We believe that our products should be safe for everyone to use from sneaking a snack in the dark to drinking water on the go.

Our R&D Team have been provided with state-of-the-art CAD systems, along with in-house mould development systems, by which a team of skilled and dedicated staff develop new techniques to better serve our customers.

The success of our R&D Department has been realized through several packaging awards, like the World Star, Asia Star, India Star and Plast Icons Awards that have been awarded to Pearl Polymers Limited, both nationally and internationally.

Pearl has been the brand of choice for Kitchenware products used by end customers in the market.

Consumers' demand is increasing for more sustainable kitchenware products and will continue to shape the industry and the answer is responsible products that offer differentiated functionality while minimizing waste in the environment. PearlPET products have been and will continue to be sustainable by using fully recyclable material.

## RECENT DEVELOPMENT

The Indian kitchen storage market size was valued at INR 11.3 billion in 2021 and is expected to grow at a CAGR of 10.5% from 2022 to 2028, reaching INR 24.1 billion by 2028.

The growth of the Indian kitchen storage market is being driven by a number of factors, including:

- Increasing disposable income and changing lifestyles of consumers, leading to an increase in demand for organized and functional kitchen storage solutions.
- Rising urbanization and nuclear families, leading to a decrease in the size of the average kitchen, which is driving the demand for space-saving kitchen storage solutions.
- Growing popularity of online shopping, which is making it easier for consumers to purchase kitchen storage solutions from a wider range of retailers.
- Rising demand for sustainable kitchen storage solutions, made from materials such as bamboo, wood, and recycled plastic.

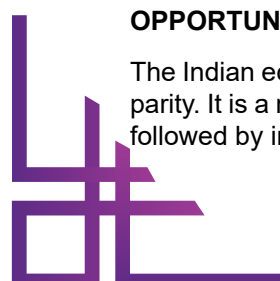
Consumers want their kitchenware products to be hygienic, safe and at the same time to look attractive. This development has led to healthy competition between the local manufacturers to deliver innovative products, and as a result, the entire ecosystem is gearing up for the change.

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

With advancement in technology and general awareness, the plastic sector in India is well poised as most of the raw materials for making these products are abundantly available in the country. Moreover, the per capita spending has increased tremendously, leading to changing rural markets and a growing middle class who demand the best of products. Various upgraded technologies are being used in industry.

## OPPORTUNITIES AND THREATS

The Indian economy is the third largest in the world by nominal GDP and the fourth largest by purchasing power parity. It is a rapidly growing economy with a young and growing population. The economy is driven by services, followed by industry and agriculture.





The following are some of the opportunities for the Indian economy:

- Large and growing domestic market: India has a large and growing domestic market with a population of over 1.3 billion people. This provides a large pool of potential consumers for goods and services.
- Young and growing population: India has a young and growing population, which provides a large pool of potential workers. This can help to drive economic growth.
- Low-cost labor: India has a low-cost labor force, which can make it an attractive destination for businesses looking to manufacture goods or provide services.
- Growing middle class: India has a growing middle class, which is creating demand for new goods and services. This can help to drive economic growth.
- Increasing urbanization: India is urbanizing rapidly, which is creating new opportunities for businesses in sectors such as real estate, retail, and transportation.
- Expanding infrastructure: India is investing in expanding its infrastructure, such as roads, railways, and airports. This can help to improve connectivity and facilitate economic growth.

The following are some of the threats to the Indian economy:

- Inflation: India has been facing high inflation in recent years. This can erode the purchasing power of consumers and businesses and make it difficult for the government to manage its finances.
- Rising interest rates: The Reserve Bank of India has been raising interest rates in an effort to control inflation. This can make it more expensive for businesses to borrow money and invest, which can slow economic growth.
- Weakening rupee: The Indian rupee has been weakening against the US dollar in recent years. This can make it more expensive for Indian businesses to import goods and services, which can hurt their profits.
- High unemployment: India has a high unemployment rate, which can lead to social unrest and instability.
- Infrastructure bottlenecks: India's infrastructure is not as developed as some other countries. This can make it difficult for businesses to operate and can also lead to congestion and delays.

The retail industry in India has emerged as one of the most dynamic and fast-paced. With the constant entry of several new players across a variety of product categories and retail formats, India's retail market is expected to increase significantly. Organized retail in India has been growing exponentially every year.

Houseware is a growing category in the Indian domestic retail market with an annual growth of 25-30%. From the traditional to the modern society, across the globe, houseware has always existed as a major product category in the marketplace. India has also witnessed a major shift in buyer or consumer base for houseware products and it is no more restricted to women.

Production of standard quality tableware, kitchenware, and general houseware, and products in India is still very limited and hence, the market is also fed through imports. There are hundreds of importers and distributors, who either import and sell under their own brands or represent international brands in India.

With the evolving lifestyle of Indians, India has witnessed a major shift in the houseware industry. Due to the high degree of urbanization, the proliferation of nuclear families and technological advancement, there have been far-reaching changes in the nature of houseware products. In India, globalization has also brought about significant changes in cooking, serving and dining habits.

The complexity of the products also makes it necessary that husband-wife both engage in the purchase of these products - be it kitchenware, cookware, tableware, kitchen appliances, storage, cleaning or maintenance products, outdoor houseware, or travel goods, one can see the drastic change in the market scenario. Most of the modern day houseware products are now made by combining materials like steel, plastics, ceramics, glass and so on. Hence the market classification is now less material-driven and more utility or functionality-driven.

Aspirational demand across segments will also drive the consumption and consumer spending upwards. Increasing number of nuclear families and their keenness to invest in their own homes is leading to a consistent growth in the housing sector, which is bound to push demand for houseware products. It will also push upwards the market for consumer durables. With rising affluence, consumers are bound to move beyond functionality in their purchases and will increasingly spend on lifestyle factors like design, trends, fashion and aesthetics. All these factors create a potential market for entrepreneurs to tap into and explore huge opportunities in India in





manufacturing, retail, distribution and imports. Retail will obviously be the biggest of them all.

Traditionally, houseware products were more utility-driven with a high focus on functionality, labour saving and simplifying domestic chores. Today, such products are already well accepted by consumers across all market segments. But the Indian houseware industry missed the retail boom enjoyed by categories like apparel and food in India over the last 28 years, as the majority of its products lacked good design and glamour of branding. Retailers always identify retail space allocation with big brands and well-designed products. As the houseware sector emerges in its contemporary avatar with focus on good design, high technology, branding and glamorous presentation, retailers are discovering a great opportunity in this segment as both unit prices and margins go up. With the increased allocation of retail space as well as the entry of e.com players, houseware business is poised for substantial growth.

The advancements in terms of product innovations and technologies in the market are also expected to create strong investment opportunities for global players. Regulatory and structural guidelines are expected to be the strongest restraints for the industry. High input costs and environmental concerns are the major challenges, whereas fluctuating demand patterns and advancements of alternative technologies are expected to be the burning issues.

However, despite having a good growth potential, the industry faces many threats and challenges. Some of the challenges are:

### **Environmental Consciousness**

All of Pearl's products are designed by keeping the environment in mind. We use fully recyclable materials which are approved by the world's leading certification agencies for use.

With environmental awareness rising globally, there is a lot of discussion biodegradable solutions.

However, there are teething challenges the market is facing in providing these biodegradable solutions. The investment required for the research of these solutions is high. This has limited the number of available eco-friendly options. Also, these solutions come at an added cost which neither the industry nor the consumer is prepared to absorb. This is making manufacturers wary of investing in the production that might not fetch the markup price.

### **Stringent regulations**

Stringent regulations imposed for plastic products may act as a restraint but to a lower extent. Compliance with regulations is necessary as the smallest defect in a product may lead to rejection of the product. It will also negatively impact the manufacturer's profit.

Some of the players present in the industry follow unethical practices to increase the revenue by selling poor quality products which may look similar but are hazardous to the environment.

Most of these challenges can be solved with technology, to form a tightly knit and integrated system. However, with technology, an all-embracing approach would be necessary. Every stage of the procurement process will need automation. Business leaders can empower their teams with visibility of their supply chain in real-time. This would help them absorb demand fluctuations faster.

India remains one of the most complex countries to manage and build businesses in. The market requires an in-depth consumer understanding and is not only price and value sensitive but also unorganized. Nonetheless, the Indian houseware market's potential and growth aspect are appealing to major international players.

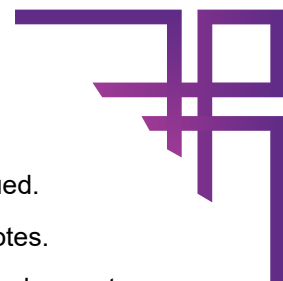
## **HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

Employees are the most important asset of any company. They are the ones who make the company run, and they are the ones who contribute to its success. Employees are responsible for providing the products or services that the company offers, and they are also responsible for creating a positive customer experience.

Pearl is committed to creating a workplace where employees feel valued and appreciated. We are doing this by:

- Providing competitive salaries, health insurance, paid time off, and retirement savings plans.
- Offering opportunities to learn new skills and advance careers through training programs and tuition reimbursement.
- Allowing employees to have a flexible schedule and to take time off when they need it.





- Creating a respectful and supportive workplace where employees feel comfortable and valued.
- Recognizing employees' contributions through awards, public recognition, and thank-you notes.
- Engaging employees in the company's mission and values by providing opportunities for employees to share their ideas and to be involved in decision-making.
- Empowering employees to make decisions and to take ownership of their work by giving them the freedom and resources to do their jobs effectively.

We believe that by doing these things, we can create a workplace where employees feel valued and appreciated, which can lead to increased productivity, innovation, and customer satisfaction.

We are committed to continuing to evaluate our practices and to make changes as needed to ensure that we are creating a workplace where all employees feel valued and respected.

As on 31<sup>st</sup> March, 2023, there were 75 employees including the Executive Directors recorded on roll of the Company.

## OPERATIONS AND FINANCIAL REVIEW

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

### KEY FINANCIAL RATIOS

Ratios	FY 2022-23	FY 2021-22	% of Variance	Reason
Current Ratio	6.70	5.64	18.79%	-
Debt-Equity Ratio	0.01	0.01	0.00%	-
Debt Service Coverage Ratio	-30.96	80.15	-138.63%	A
Return on Equity (ROE)	-19.00%	62.00%	-130.65%	A
Inventory Turnover Ratio	5.08	1.24	309.68%	B
Trade Receivable Turnover Ratio	8.00	0.97	724.74%	C
Trade Payable Turnover Ratio	2.65	0.61	334.43%	D
Net Capital Turnover Ratio	2.07	5.31	-61.02%	E
Net Profit Ratio	-48.00%	156.00%	-130.77%	F
Return on Capital Employed	-20.00%	59.00%	-133.90%	F

Note: Explanations given where the change in the ratio is more than 25% as compared to the preceding year

- Decreased due to operating loss
- Due to increase in sales
- Due to better collection of receivables
- Due to better management of trade payables
- Due to sale of B2B Business in last year
- Due to profit on slump sale of B2B Business in last year and operating loss in the current year

### SEGMENT-WISE PERFORMANCE

During the Year under review, your Company was operating only in one segment.

### RISK MANAGEMENT

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





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

Some of the features that give an advantage to the Company over other local players in the market which may help the Company in reducing the loss of sales are:-

- Non-toxic, Food-grade and Re-usable.
- Unbreakable, Strong and Light-weight.
- Manufacturing process integrates the finest quality certified raw materials, with state-of-the-art equipment and stringent quality control procedures, at every station on the line.
- PearlPET products & raw material do not use Bisphenol A (BPA) or other harmful plasticizers/chemicals.
- All of our products have good barrier properties that protect and preserve the food content.
- Good strength, premium quality, Air tight.
- 100% recyclable and environment friendly.

#### **DISCLOSURE OF ACCOUNTING TREATMENT**

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the companies (Indian Accounting Standards) (Amendment) Rules, 2016 and notified under Section 133 of the Companies Act, 2013 (“the Act”) and other relevant provisions of the Act and other accounting principles generally accepted in India.

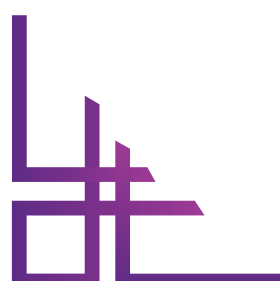
#### **BUSINESS OUTLOOK**

The Consumer Products market is expected to grow by 15% to 20% in the medium term in a normal business environment with potentially higher growth rates in the near term. Verified Market Research points out that the non-biodegradable properties of plastic products have been reported to have a serious impact on the environment, which has slowed growth. Fluctuating raw material prices are also hindering growth. However, the plastics commodity market is expected to rise from \$468.3 billion in 2020 to \$596.1 billion by 2025 at a CAGR of 6.0% as plastics continue replace metals in the marketplace.

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

Pearl has in place an adequate system of internal control procedures for business processes, operations, financial reporting, fraud control and compliance with applicable laws and regulations, among others. They commensurate with the size of the company and the nature of the business and is in line with requirements of the regulations.

During the year under review, no material weakness in the policy or procedures was observed. Your Company has put in place an independent internal audit system conducted by a professional to ensure adequacy of internal financial control system, adherence to Company policies and compliance.







## REPORT ON CORPORATE GOVERNANCE

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

### COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE

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

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

### THE BOARD OF DIRECTORS

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

### COMPOSITION

The Board of your Company consists of 6 (Six) Directors as on March 31, 2023, out of which 3 (three) are Executive Directors and other 3 (three) are Non-Executive Independent Directors (including one Woman Director). The Board has an Executive Chairperson.

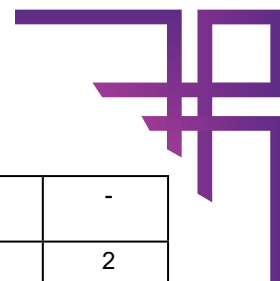
According to Regulation 17(1)(b) of SEBI (LODR) Regulations, 2015 as well as relevant provisions under the Companies Act, 2013, where the Chairperson is an Executive Director or a Promoter of the Company, at least one half of the Board of the Company should consist of Independent Directors and this provision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

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

The composition of the Board as on March 31, 2023 along with their Chairmanship and Membership on the Board Committees is tabled below:

Name of the Director	Category	No. of Board meetings attended	Whether attended last AGM	No. of Directorships in other companies#	Committees positions held in other public companies @	
					Chairperson	Member
Mr. Udit Seth Chairman & Managing Director	Non Independent, Executive	4 of 4	Yes	1	-	1
Mr. Varun Seth	Non Independent, Executive	2 of 4	Yes	1	-	1
Mr. Amit Seth	Non Independent, Executive	4 of 4	Yes	1	-	1





Mrs. Meera Johri	Independent, Non-executive	4 of 4	Yes	1	2	-
Mr. Ashish Harish Bhuva	Independent, Non-executive	2 of 4	Yes	3	-	2
Mr. Anant Kanoi	Independent, Non-executive	4 of 4	Yes	2	-	2

@ In accordance with Regulation 26 of the Listing Regulations, Membership/ Chairmanship of only Audit Committee and Stakeholders Relationship Committee in public companies have been considered.

# Other than Foreign & Private Companies and includes this Company

\*Director's Inter-se relation: Mr. Udit Seth, Mr. Amit Seth and Mr. Varun Seth are the sons of Mr. Chand Seth and forms the part of promoter group. Other than that there is no inter-se relation amongst any other Director.

### DIRECTORSHIPS IN OTHER LISTED ENTITIES

None of the Directors is a Director in other listed Companies

### CORE SKILL/EXPERTISE/COMPETENCIES

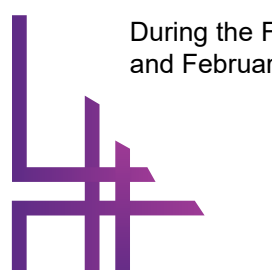
As stipulated under Schedule V of the SEBI Listing Regulations, core skills/expertise/competencies, as required in the context of the business and sector for it to function effectively and those actually available with the Board have been identified by the Board of Directors.

The Board has identified the following core skills / expertise / competencies as required in the context of our business(es) and sector(s) for it to function effectively and those actually available with the Board:

Skills/Expertise/Competencies	Mr. Udit Seth	Mr. Varun Seth	Mr. Amit Seth	Mrs. Meera Johri	Mr. Ashish Harish Bhuva	Mr. Anant Kanoi
Management & Strategy	✓	✓	-	✓	✓	✓
Operations & Engineering	✓	✓	✓	-	✓	✓
Commercial Purchase and Supply Chain	✓	✓	✓	-	✓	✓
Sales & Marketing	✓	✓	✓	✓	✓	-
Research & Development	✓	-	-	-	✓	✓
Regulatory Framework Knowledge	✓	-	-	-	✓	-
Knowledge of PET Industry	✓	✓	✓	-	✓	-
Identifying the growth areas for expanding the business	✓	✓	✓	✓	✓	✓
Corporate Governance & Ethics	✓	✓	✓	✓	✓	✓
Finance and Taxation	✓	-	-	✓	✓	✓
Risk Management	✓	-	-	✓	✓	✓
Law	✓	-	✓	-	-	-
Human Resources & Industrial Relations	✓	✓	✓	-	✓	-
Information Technology, systems and computers	✓	✓	-	-	✓	-

### BOARD MEETINGS

During the FY 2022-23, the Board met four times viz. on May 26, 2022; August 10, 2022; November 14, 2022; and February 14, 2023.





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

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

Name of the Director	Attendance at the Board Meetings held on				Attendance at the last AGM held on
	26.05.2022	10.08.2022	14.11.2022	14.02.2023	29.09.2022
Mr. Udit Seth	Yes	Yes	Yes	Yes	Yes
Mr. Varun Seth	LOA	LOA	Yes	Yes	Yes
Mr. Amit Seth	Yes	Yes	Yes	Yes	Yes
Mr. Ashish Harish Bhuvra	LOA	LOA	Yes	Yes	Yes
Ms. Meera Johri	Yes	Yes	Yes	Yes	Yes
Mr. Anant Kanoi	Yes	Yes	Yes	Yes	Yes

## INDEPENDENT DIRECTORS (ID)

### Separate Meetings

In line with the mandate given in the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, separate meeting of Independent Directors was held during the year, without the presence of Non Independent Directors and the Management of the Company. During the meeting, the Directors discussed, among other matters, the performance of Non Independent Directors and Board as a whole and assessed the quality, quantity and timeliness of flow of information.

### Tenure of Independent Directors

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

Further, in the opinion of the Board, the Independent Directors fulfill the conditions specified in SEBI Listing Regulations and are independent of the Management and the Company has received declaration in this regard from the Independent Directors.

## BOARD FAMILIARIZATION PROGRAMME

As required under Regulation 25(7) of the SEBI (LODR) Regulations, 2015, the Company has a familiarization programme for the independent directors. The details of the familiarization programme are available on the Company’s website at the link <https://pearlpet.net/about-us/#investor-relations>.

## CODE OF CONDUCT

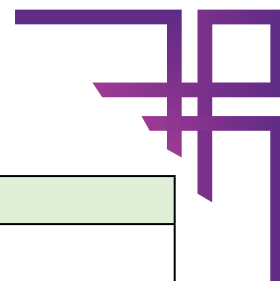
The Company’s Code of Conduct provides guidelines to be followed by all members of the Board of Directors and Senior Management Personnel. The Company has received confirmations from all members of the Board of Directors as well as Senior Management Personnel regarding compliance of the Code during the year. A declaration signed by Chairman and Managing Director to this effect is annexed to this report.

## BOARD COMMITTEES

The Board delegates its powers and authorities from time to time to committees in order to ensure that operational efficiency and specific issues are being handled with relevant expertise. All decisions and recommendations of the Committees are placed before the Board for information or approval.

The following four Board Committees have been established and each of them has its specific duties and authorities set out in its own terms of reference.





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

## A) MANDATORY COMMITTEE

### (i) Audit Committee

The objective of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures. The terms of reference of the Audit Committee are well defined and are in accordance with the Companies Act, 2013 and the SEBI Listing Regulations. The detailed terms of reference of audit committee are placed on the Company's website at <https://pearlpet.net/about-us/#investor-relations>.

#### Composition

The composition of the Audit Committee is as per the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

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

The composition of the Audit Committee during the Financial Year and the attendance of the members in the meetings held during the Financial Year 2022-23 are as follows:

Name of the Member	Designation	Attendance at the Meetings held on			
		26.05.2022	10.08.2022	14.11.2022	14.02.2023
Ms. Meera Johri	Chairperson	Yes	Yes	Yes	Yes
Mr. Varun Seth	Member	LOA	LOA	Yes	Yes
Mr. Ashish Harish Bhuvra	Member	LOA	LOA	Yes	Yes
Mr. Anant Kanoi	Member	Yes	Yes	Yes	Yes

### (ii) Stakeholders' Relationship Committee

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

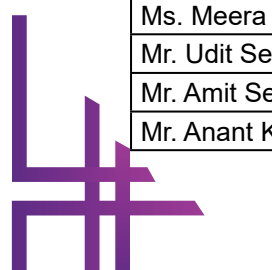
The terms of reference of the Stakeholders' Relationship Committee are well defined and are in accordance with the SEBI Listing Regulations as amended from time to time. The detailed terms of reference of Stakeholders' Relationship Committee are placed on the Company's website at <https://pearlpet.net/about-us/#investor-relations>.

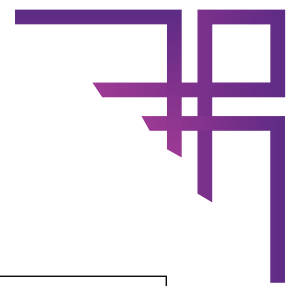
#### Composition

The composition of the Stakeholders' Relationship Committee is as per the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The composition of the Stakeholders' Relationship Committee during the Financial Year and the attendance of the members in the meetings held during the Financial Year 2022-23 are as follows:

Name of the Director	Designation	Attendance at the Meetings held on			
		26.05.2022	10.08.2022	14.11.2022	14.02.2023
Ms. Meera Johri	Chairperson	Yes	Yes	Yes	Yes
Mr. Udit Seth	Member	Yes	Yes	Yes	Yes
Mr. Amit Seth	Member	Yes	Yes	Yes	Yes
Mr. Anant Kanoi	Member	Yes	Yes	Yes	Yes





### Status of Investors' complaints:

The status of Investors' complaints as on March 31, 2023 is as follows:

Number of complaints as on April 01, 2022	NIL
Number of complaints received during the year ended on March 31, 2023	NIL
Number of complaints resolved/disposed of up to March 31, 2023	NIL
Number of complaints pending as on March 31, 2023	NIL

### Nomination and Remuneration Committee

The Terms of Reference of the Nomination and Remuneration Committee are well defined and are in line with the provisions of the SEBI Listing Regulations and the Companies Act, 2013, as amended from time to time. The detailed terms of reference of committee are placed on the Company's website at <https://pearlpet.net/about-us/#investor-relations>.

### Composition

The composition of the Nomination and Remuneration Committee is as per the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The composition of the Nomination and Remuneration Committee during the Financial Year and the attendance of the members in the meetings held during the Financial Year 2022-23 are as follows:

SI No.	Name of the Director	Designation	Attendance at the Meeting held on 26.05.2022
1	Mrs. Meera Johri	Chairperson	Yes
2	Mr. Anant Kanoi	Member	Yes
3	Mr. Ashish Harish Bhuva	Member	LOA

### Performance Evaluation Criteria for Independent Directors

An indicative list of factors that may be evaluated include adherence to ethical standards and code of conduct, constructive participation in board and committees' meetings, implementing good corporate governance practices and review of integrity of financial information etc.

### REMUNERATION OF DIRECTORS

#### PECUNIARY RELATIONSHIP/TRANSACTION WITH NON-EXECUTIVE DIRECTORS

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

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

Non-executive directors of the Company play a crucial role in the independent functioning of the Board. They bring in an external perspective to decision-making and provide leadership and strategic guidance while maintaining objective judgment.

The Remuneration Policy, inter alia, disclosing the criteria of making payments to directors and key managerial personnel is placed on the Company's website at <https://pearlpet.net/about-us/#investor-relations>.

The Non-Executive Directors of the Company were not paid any remuneration during the FY 2022-23.

### NON-EXECUTIVE DIRECTORS

Non-executive directors (Independent Directors) were paid sitting fees during the FY 2022-23 as earlier stated in this Report. Apart from the payment of sitting fees there was no remuneration drawn by the Non-Executive Directors

### EXECUTIVE DIRECTORS

Remuneration paid to Executive Directors for the financial year 2022-23 is as follows:





(Rs. in Lakhs)

SI No.	Name of the Director	Salary and Allowances	Perquisite	Incentive/ Stock option etc.	Total
1	Mr. Udit Seth <sup>1</sup>	41.94	6.00	-	47.94
2	Mr. Varun Seth <sup>2</sup>	47.88	2.13	-	50.01
3	Mr. Amit Seth <sup>1</sup>	41.94	6.00	-	47.94

Notes:

- 1) Apart from above mentioned, the total contribution towards Provident Fund and Superannuation of Mr. Udit Seth and Mr. Amit Seth is Rs. 2,16,000 and Rs. 5,20,000 respectively, each.
- 2) Apart from above mentioned, the total contribution towards Provident Fund and Superannuation of Mr. Varun Seth is Rs. 3,96,000 and Rs. 3,52,000 respectively.
- 3) Each of the above Directors was entitled to Director's remuneration which was determined by the Board with authorization granted by the shareholders at the Company's AGM. The remuneration of Executive Directors and Senior Management of the Company was determined with reference to the Company's performance and policy and in accordance with the provisions of the Companies Act, 2013, as well as remuneration benchmarks in the industry and the prevailing market conditions.

**Sitting fee paid to Non-Executive & Independent Directors for the financial year 2022-23 is as follows:**

(Rs. in Lakhs)

SI No.	Name of the Director	Sitting Fee	Total	No of Shares/ convertible instrument held
1	Ms. Meera Johri	0.20	0.20	0
2	Mr. Ashish Harish Bhuvra	0.10	0.10	0
3	Mr. Anant Kanoi	0.20	0.20	0

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

## B) NON MANDATORY COMMITTEES

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

### Finance Committee

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

The terms of reference are in accordance with the applicable provisions and are placed on the Company's website at <https://pearlpet.net/about-us/#investor-relations>.

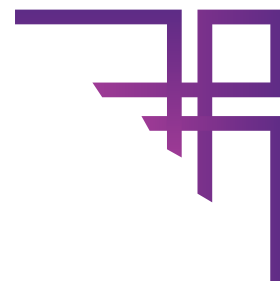
The committee comprised of three members namely Mr. Udit Seth as Chairperson and Mr. Varun Seth, Mr. Amit Seth as Members.

## PAYMENT TO AUDITORS

During the year, the total fee for all the services paid by the Company to the Auditors was Rs. 15.36 Lakhs, the breakup of which is given in the notes to Financial Statements.

## MANAGEMENT DISCUSSION AND ANALYSIS

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



## GENERAL BODY MEETINGS

### Annual General Meeting

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

AGM	Financial Year	Venue	Date and Time	Special Resolution Passed
49 <sup>th</sup> AGM	2019-20	Through video conferencing ("VC")/Other Audio Visual Means (OAVM)	30.12.2020 11.00 A.M.	<ul style="list-style-type: none"> <li>i. Re-appointment of Mr. Chand Seth as Chairman &amp; Managing Director of the Company</li> <li>ii. Re-appointment of Mr. Ramesh Mehra as Whole Time Director of the Company</li> <li>iii. Alteration of Memorandum of Association of the Company thereby adopting new set of Memorandum of Association in accordance with the provisions of the companies act, 2013 and altering the object clause of Memorandum of Association by inserting and adding the new objects in the main objects of the Company and in the matters which are necessary for furtherance of the main objects</li> </ul>
50 <sup>th</sup> AGM	2020-21	Through video conferencing ("VC")/Other Audio Visual Means (OAVM)	30.09.2021 12.30 P.M.	<ul style="list-style-type: none"> <li>i. Appointment of Mr. Udit Seth as Director and Chairman &amp; Managing Director</li> <li>ii. Appointment of Mr. Amit Seth as Director and Whole Time Director</li> <li>iii. Re-appointment of Mr. Varun Seth as Whole Time Director of the Company</li> <li>iv. To revise the managerial remuneration payable to Mr. Varun Seth</li> <li>v. To approve the Remuneration paid to Mr. Ramesh Mehra as Additional Director (Non-Executive and Non-Independent)</li> <li>vi. Appointment of Mr. Anant Kanoi as Director and Independent Director</li> <li>vii. Increase in Remuneration/Fee of Mr. Chand Seth, Chairman Emeritus</li> <li>viii. Payment of compensation /consideration to Mr. Chand Seth for retirement from the office of Chairman &amp; Managing Director</li> </ul>
51 <sup>st</sup> AGM	2021-22	Through video conferencing ("VC")/Other Audio Visual Means (OAVM)	29.09.2022 04.30 P.M.	NA

### Extra-Ordinary General Meeting

No Extra-Ordinary General Meeting of the Shareholders was held during the financial year 2022-23.

### E-VOTING FACILITY

The Company extends the facility for Remote E-voting to the shareholders to exercise their voting rights electronically on all resolutions passed or proposed to be passed in the AGMs.

### DETAILS OF POSTAL BALLOT

No special resolution was passed through postal ballot last year.





Person who conducted the postal ballot exercise: Not applicable

None of the business proposed to be transacted at the ensuing AGM requires passing of special resolution through postal ballot.

## DISCLOSURES

### Insider Trading

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

### Related Party Transactions

During the year, there were no transactions with related parties which were materially significant or in conflict with the interests of the Company and that require an approval of the Company's shareholders in terms of the Companies Act or SEBI Listing Regulations. All Related Party Transactions are placed before the Audit Committee and the Board for review and approval. Prior omnibus approval of the Audit Committee was obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are placed before the Audit Committee and the Board of Directors for their review on a quarterly basis. The detailed policy on Related Party Transactions is available on the website of the Company at <https://pearlpet.net/about-us/#investor-relations>. The details regarding Related Party Transactions are contained in the Notes to Financial Statements.

## COMPLIANCE WITH REGULATIONS

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. There has been no instance of penalties, strictures imposed on the Company by the exchanges or the board or other statutory authorities.

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

### Non-Mandatory

#### i. Modified opinion(s) in audit report

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

#### ii. Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee.

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

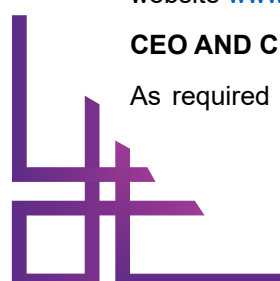
The Company has obtained a certificate from Ms. Rashmi Sahni, Practicing Company Secretary stating that none of the Directors on the board of the company has been debarred or disqualified from being appointed or continuing as Director of the Company by the Board/ Ministry of Corporate Affairs or any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

## VIGIL MECHANISM & WHISTLE BLOWER POLICY

The Company has devised a Vigil Mechanism through Whistle Blower Policy for employees and other stakeholders to report their genuine concerns or grievances to the Chairperson of the Audit Committee for any instance of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. No person was denied access to the Audit Committee in this regard. A detail of Policy is available on Company's website [www.pearlpet.net](http://www.pearlpet.net).

## CEO AND CFO CERTIFICATION

As required by Regulation 17(8) of SEBI (LODR) Regulations, 2015, Mr. Udit Seth, Chairman & Managing





Director and Mr. Sanjeev Rikhi, Chief Financial Officer have given appropriate certifications to the Board of Directors certifying that the financial statement do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed to this report.

## MEANS OF COMMUNICATION

### Financial Results

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

- I. Financial Express (English Language)
- II. Hari Bhoomi (Hindi Language)

The results are also posted on the Company's website <https://pearlpet.net/about-us/#investor-relations> after its submission to the Stock Exchanges. These are available in a freely downloadable format. The Annual Report, Quarterly, Half-Yearly and Annual Financial Results, Shareholding Pattern, Intimation of the Board Meetings and other statutory filings with the Stock Exchanges is posted through the filing system of the BSE Listing Centre and NSE Electronic Application Processing System (NEAPS) portals/ Digital Exchange Portal of NSE.

Apart from above, No official news releases were displayed and presentations were made to the institutional investors or to the analysts by the Company.

## GENERAL SHAREHOLDERS' INFORMATION

### 52<sup>nd</sup> Annual General Meeting

Date and Time	September 28, 2023 at 05:00 P.M.
Venue	The Company is conducting meeting through VC/ OAVM pursuant to the MCA Circular dated May 5, 2020 January 13, 2021 and May 5, 2022 and other applicable circular. For details kindly refer to the Notice of this AGM
Dividend payment date	Not Applicable
Book Closure	September 22, 2023 to September 28, 2023 (Both days inclusive)

### Financial Calendar for the year 2023-24 (Tentative)

Financial Year	2023-24	
Results for the Quarter ending	Audited/Un-audited	Tentative date of reporting
June 30, 2023	Un-audited	On or before August 14, 2023
September 30, 2023	Un-audited	On or before November 14, 2023
December 31, 2023	Un-audited	On or before February 14, 2024
March 31, 2024	Audited	On or before May 30, 2024

The above dates are tentative and are subject to the relaxations already granted or to be granted by the regulatory authorities from time to time.

## LISTING OF SHARES

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

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





The annual Listing Fee/ Custodial Fee for the financial year 2022-23 have duly been paid to the Stock Exchanges/ Depositories.

### STOCK MARKET DATA FOR THE FINANCIAL YEAR 2022-23

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

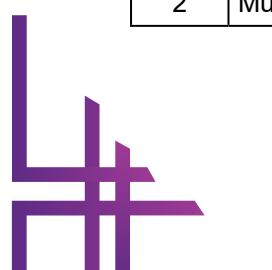
Monthly/Year	NSE				BSE			
	Share Price				Share Price			
	High	Low	Close	CNX Nifty Close	High	Low	Close	Sensex Close
April 2022	36.45	18.19	27.80	17102.55	36.45	18.05	27.8	57060.87
May 2022	28.95	21.05	22.55	16584.55	29.8	21.05	22.5	55566.41
June 2022	27	19.70	22	15780.25	26.95	20.1	22	53018.94
July 2022	24.50	20.20	22.45	17158.25	24.5	20.05	22.4	57570.25
August 2022	27	21.35	23.05	17759.30	27	22.2	23.05	59537.07
September 2022	26	19.50	19.95	17094.34	26.4	19.5	20	57426.92
October 2022	21.90	18.15	18.35	18012.19	22	16	18.3	60746.59
November 2022	21.45	16.35	19.05	18758.34	21.4	17.05	19	63099.65
December 2022	28.40	18.90	23.95	18105.30	28.45	18.9	23.85	60840.74
January 2023	38.45	22.70	25.20	17662.15	38	22.6	25.1	59549.9
February 2023	25.80	20.70	21.95	17303.94	25.85	21	21.75	58962.12
March 2023	22.75	17.20	18.05	17359.75	23.3	17.2	18.15	58991.52

### Distribution of Shareholding as on March 31, 2023

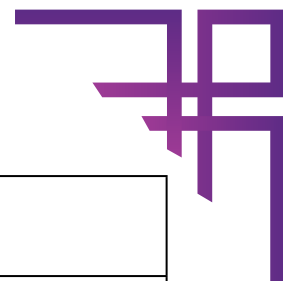
Shareholders			Shareholding		
Shareholding of Nominal value	Number of Shareholder	% of total shareholders	Number of shares	Amount in (Rs.)	% to total share capital
01 to 5000	13,870	88.270	16,36,765	1,63,67,650	9.722
5001 to 10000	929	5.912	7,84,764	78,47,640	4.661
10001 to 20000	436	2.774	6,72,845	67,28,450	3.996
20001 to 30000	151	0.960	3,91,410	39,14,100	2.324
30001 to 40000	85	0.540	3,04,140	30,41,400	1.806
40001 to 50000	70	0.445	3,31,008	33,10,080	1.966
50001 to 100000	97	0.617	7,26,408	72,64,080	4.314
100001 and above	75	0.477	1,19,87,592	11,98,75,920	71.206
<b>Total</b>	<b>15,713</b>	<b>100.000</b>	<b>1,68,34,932</b>	<b>16,83,49,320</b>	<b>100.000</b>

### Shareholding Pattern of the Company as on March 31, 2023

SI No.	Category	No. of Shares Held	% of shareholding
1	Promoters	93,56,490	55.58
2	Mutual Fund and UTI	5,410	0.03







3	Banks, Financial Institutions, NBFC, Insurance Companies (Central/State Govt. Institutions/Non-government Institutions)	1,210	0.01
4	Bodies Corporate	1,76,701	1.05
5	Indian Public	68,55,866	40.72
6	NRIs/OCBs/FIIs	4,13,322	2.46
7	Clearing Member	25,933	0.15
	<b>TOTAL</b>	<b>1,68,34,932</b>	<b>100.00</b>

#### DEMATERIALIZATION OF SHARES AND LIQUIDITY

As on March 31, 2023, the status of Equity Shares in demat and physical form is provided hereunder:

Particulars	No. of Shares	% to share capital
Shares in Demat Form held with NSDL	1,27,83,979	75.94
Shares in Demat Form held with CDSL	33,08,884	19.65
Shares in Physical Form	7,42,069	4.41
<b>Total</b>	<b>1,68,34,932</b>	<b>100.00</b>
Depositories	National Securities Depository Limited (NSDL) Central Depository Services (India) Limited (CDSL)	
ISIN	INE844A01013	

#### COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

Please refer notes to Financial Statements which forms the part of this Annual Report.

#### SHARE TRANSFER SYSTEM

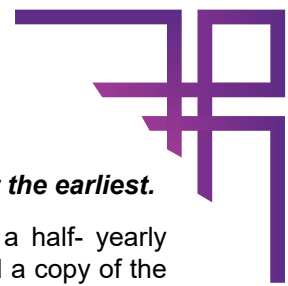
In accordance with SEBI LODR (Listing Obligations and Disclosure Requirements) (4th amendment) Regulations, 2018 notified on June 07, 2018 and further notification dated 30/11/2018 any request for physical transfer of shares shall not be processed w.e.f. April 01, 2019.

Further, in compliance with SEBI vide its circular SEBI/HO/ MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25th January 2022, the following requests received by the Company in physical form will be processed and the shares will be issued in dematerialization form only:-

- i. Issue of duplicate share certificate
- ii. Claim from unclaimed suspense account
- iii. Renewal/Exchange of securities certificate
- iv. Endorsement
- v. Sub-division / splitting of securities certificate
- vi. Consolidation of securities certificates/folios
- vii. Transmission
- viii. Transposition

For this purpose, the securities holder/claimant shall submit a duly filled up Form ISR-4 which is hosted on the website of the company as well as on the website of MAS Services Ltd, Registrar and share transfer agent (RTA) The aforementioned form shall be furnished in hard copy form.





**Members holding shares in physical form are requested to dematerialize their holdings at the earliest.**

Pursuant to Regulation 40(9) of the SEBI (LODR) Regulations 2015, the Company obtains a half- yearly certificate on compliance with share transfer process from a Practicing Company Secretary and a copy of the same is filed with the Stock Exchanges.

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

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

**CREDIT RATING**

No Credit rating was obtained by the Company during the FY 2022-23

**COMPLAINTS UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

During the year under review, no complaint received from any woman employee as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

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

**PLANT LOCATIONS**

S.No.	Location of Plant(s)	Address
1	Mahad	B-3/2, M.I.D.C. Industrial Area, Mahad, Distt.-Raigad, Maharashtra-402309

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

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that the Company has obtained from all the Members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the code of conduct in respect of financial year ended on March 31, 2023.

For & on behalf of the Board of Directors

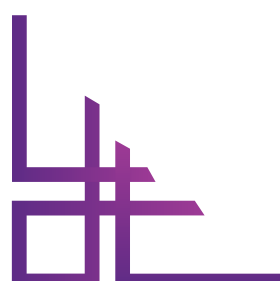
Udit Seth

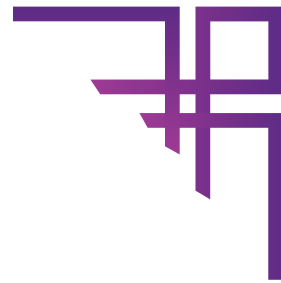
Chairperson and Managing Director

(DIN: 00005403)

Place: New Delhi

Date: 8<sup>th</sup> August, 2023





## CERTIFICATE ON CORPORATE GOVERNANCE

To

**The Members**

**Pearl Polymers Limited**

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

**New Delhi- 110020**

I have examined the compliance of the conditions of Corporate Governance by **Pearl Polymers Limited ('the Company')** for the year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended on March 31, 2023.

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

**Rashmi Sahni**

**Practicing Company Secretaries**

**Membership No. 25681**

**Certificate Practice No. 10493**

**PRC No.:1614/2021**

**UDIN: A025681E000760503**

**Place: Delhi**

**Date: 08-08-2023**





**CERTIFICATE BY THE CHAIRMAN & MANAGING DIRECTOR AND  
CHIEF FINANCIAL OFFICER**

**Pursuant to Regulation 17(8) Of SEBI (Listing Obligations and Disclosure Requirements)  
Regulations, 2015**

To,

The Board of Directors

Pearl Polymers Limited

New Delhi

We, hereby certify that:

- 1 We have reviewed the financial statements and the cash flow statement for the year ended on March 31, 2023 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- 2 There are to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- 3 We accept overall responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or are propose to take to rectify these deficiencies.
- 4 We have indicated to the auditors and the Audit Committee that:
  - i. there were no significant changes in internal control over financial reporting during the year;
  - ii. there were no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. there were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: 30.05.2023

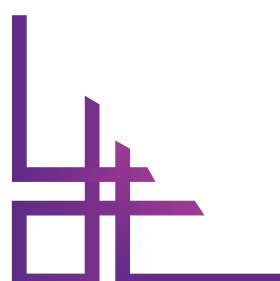
Sanjeev Rikhi

Udit Seth

Place: New Delhi

CFO

Managing Director



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To,

**The Members of**

**Pearl Polymers Limited**

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

**New Delhi- 110020**

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

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	UDIT SETH	00005403	10/08/2021
2.	AMIT SETH	00017395	10/08/2021
3.	VARUN SETH	00017552	01/07/2006
4.	ANANT KANOI	00150667	31/03/2021
5.	ASHISH BHUVA HARISH	06780082	01/09/2014
6.	MEERA JOHRI	06881924	26/05/2014

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

**Rashmi Sahni**

**Practicing Company Secretary**

**Membership No: 25681**

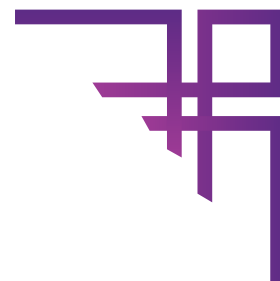
**Certificate Practice No. 10493**

**PRC No.:1614/2021**

**UDIN: A025681E000760461**

**Place: Delhi**

**Date: 08-08-2023**



## INDEPENDENT AUDITOR'S REPORT

To

**THE MEMBERS OF**

**M/s PEARL POLYMERS LTD.**

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

**Okhla, New Delhi-110020**

### Opinion

We have audited the accompanying financial statements of **M/S PEARL POLYMERS LTD. (“the Company”)**, which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements gives the information required by the Companies Act, 2013 (“the Act”) in the manner so required and gives a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

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

### Contingent liabilities and provisions (refer note 35 to the financial statements)

Key Audit Matter	How the matter was addressed in our audit
<p>The Company operates in various states within India, exposing it to a variety of different Central and State laws, regulations and interpretations thereof. In this complex regulatory environment, there is a risk of litigations and claims.</p> <p>Consequently, provisions and contingent liability disclosures may arise from direct and indirect tax proceedings, legal proceedings, including regulatory and other government/department proceedings, as well as investigations by authorities and commercial claims.</p>	<p>Our audit procedures on contingent liabilities and provisions included the following:</p> <ul style="list-style-type: none"> <li>• Obtained the outstanding litigations list as compared to the previous year. Enquired and obtained explanations for movement in litigations during the year.</li> <li>• Inquired with management regarding the status of significant litigations and claims including obtaining legal teams views on the likely outcome of each litigation and claim and the magnitude of potential exposure.</li> </ul>







<p>At 31 March 2023, the Company's contingent liabilities are disclosed in note 35 to the financial statements.</p> <p>Management applies significant judgement in estimating the likelihood of the future outcome in each case when considering whether, and how much to provide or in determining the required disclosure for the potential exposure of each matter. This is due to the highly complex nature and magnitude of the legal matters involved along with the fact that resolution of tax and legal proceedings may span over multiple years, and may involve protracted negotiation or litigation. Management recognises a provision when it has a present obligation as a result of part events and it is probable that an outflow of resources embodying economic benefits will be required to settle obligation. A contingent liability is recognised if there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.</p> <p>These estimates could change substantially over time as new facts emerge and as each legal case progresses.</p> <p>Given the inherent complexity and magnitude of potential exposures and the judgment necessary to estimate the amount of provision required or to determine required disclosures, this is a key audit matter.</p>	<ul style="list-style-type: none"> <li>• Examined the Company's legal expenses and read the minutes of Board meetings, to evaluate the completeness of list of the open litigations.</li> <li>• Read the latest correspondences between the Company and tax/legal authorities and reviewed legal opinions obtained by management where applicable, for significant matters and considered the same in evaluating the appropriateness of the Company's provisions or disclosures on such matters.</li> <li>• With respect to tax matters, we involved tax specialists to evaluate the significant cases and the technical grounds for Management's conclusions on provisions or disclosure of contingent liabilities.</li> <li>• For non-tax matters, we evaluated Management's decisions and rationale for provisions established or disclosures made for contingent liabilities.</li> </ul>
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### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

### Management's Responsibility for the Financial Statements

The Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind-AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.





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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

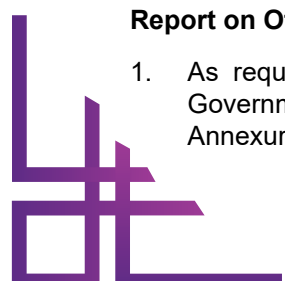
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

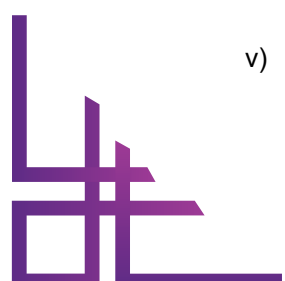
### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.





2. (A) As required by Section 143(3) of the Act, based on our audit we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind-AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note No.35 to the financial statements).
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
    - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
    - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
  - (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
    - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
    - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
  - (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (d) (i) and (d) (ii) contain any material mis-statement.
  - v) The Company has not declared or paid dividend during the year. Hence the provision of section 123 of the Act is not applicable.





(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**Place: Greater Noida**

**Date: 30<sup>th</sup> May, 2023**

**UDIN: 23537710BGZDMX6063**

**For Nikhil Goel And Associates**

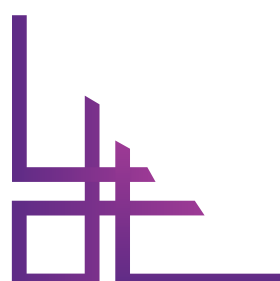
**Chartered Accountant**

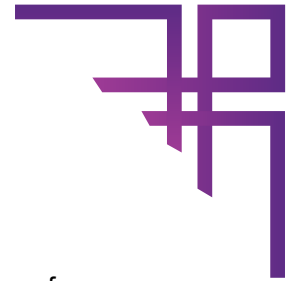
**FRN-020934C**

**(CA Nikhil Goel)**

**Proprietor**

**M.No. 537710**





## Annexure - A to the Auditors' Report

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

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of **M/s Pearl Polymers Limited ("the Company")** as of 31<sup>st</sup> March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

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

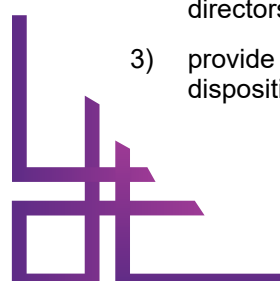
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal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

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

#### Meaning of Internal Financial Controls over Financial Reporting

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

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





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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Place: Greater Noida**

**Date: 30<sup>th</sup> May, 2023**

**UDIN: 23537710BGZDMX6063**

**For Nikhil Goel And Associates**

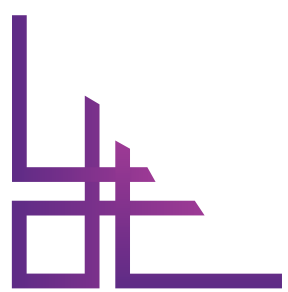
**Chartered Accountant**

**FRN-020934C**

**(CA Nikhil Goel)**

**Proprietor**

**M.No. 537710**





## Annexure - B to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2023, we report that:

- i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of Intangible Assets.
  - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain Property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
  - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
  - (e) According to the information and explanation given to us, no proceedings have been initiated or are pending against the company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder during the year.
- ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, in our opinion, the coverage and procedure of such verification by the management is appropriate. As informed to us, any discrepancies of 10% or more in the aggregate for each class of inventory were not noticed on such verification.
- (b) The company has been sanctioned working capital limits in excess of five crore rupees (at any point of time during the year), in aggregate, from banks or financial institutions on the basis of security of current assets; quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- iii) (a) According to the information and explanation given to us, during the year the company has not provided any guarantee or security, to companies, firms, Limited Liability Partnerships or any other parties. The Company has made investment in and provided loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, the aggregate amount of investment made and loans provided with outstanding balance at the balance sheet date are as per the table given below:

Particulars	Loans (in Lakhs)	Investments (In lakhs)
<b>Aggregate amount granted / provided during the year:</b>	<b>460.00</b>	<b>3463.55</b>
- To Subsidiaries, joint venture and associates	Nil	Nil
- To others	460.00	3463.55
<b>Balance outstanding as at balance sheet date in respect of above cases:</b>	<b>NIL</b>	<b>3187.19</b>
- To Subsidiaries, joint venture and associates	Nil	Nil
- To others	71.59	3187.19

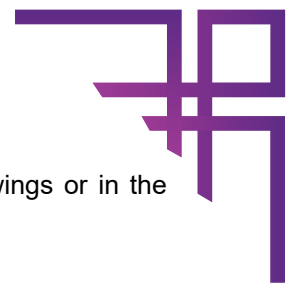


- (b) According to the information and explanation given to us, the investments made and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest.
- (c) schedule of repayment of the principal amount and the payment of the interest have not been stipulated and hence we are unable to comment as to whether receipt of the principal amount and the interest is regular.
- (d) According to the information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) According to the information and explanation given to us, in respect of any loan or advance in the nature of loan granted which has fallen due during the year, none has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
- (f) The loans granted during the year, including to related parties had stipulated the scheduled repayment of principal and payment of interest and the same were not repayable on demand. No loans were granted during the year to promoters.
- iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.
- v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- vi) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- vii) (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Sales Tax, Wealth tax, Service tax, Duty of Customs, duty of Excise, Value Added Tax, GST, Cess and other statutory dues with the appropriate authorities to the extent applicable to it. There are no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, value added tax, duty of customs, duty of excise or Cess which have remained outstanding as at March 31, 2023 for a period of more than 6 months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes, except for the following:

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	Commissioner of Central Excise, Raigad
The Central Excise Act, 1944	Interest on differential duty paid in respect of supplementary invoices	0.4	January 2001 to April 2003	CESTAT
The Central Excise Act, 1944	Disallowance of Cenvat Credit on the supply of pet chips	5.14	July 2004 to August 2004	Commissioner of Customs & Central Excise (Appeals), Mumbai III
	<b>Total</b>	<b>366.13</b>		

- viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.





- ix) (a) In our opinion, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) Company is not declared wilful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanation given to us, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanation given to us, funds raised on short term basis have not been utilised for long term purposes.
- (e) According to the information and explanation given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanation given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanation given to us and on the basis of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanation given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanation given to us, no whistle-blower complaints, received during the year by the company.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi rules, 2014 are not applicable to it. Accordingly, paragraph 3(xii) of the Order is not applicable to the company.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) (a) According to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the Internal Audit report of the Company issued till the date for the period under audit.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under Clause 3(xv) of the Order is not applicable to the Company.
- xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) and (d) of the Order is not applicable to the Company.
- xvii) According to the information and explanations given to us and based on the audit procedures conducted we are of opinion that the company has incurred cash losses in the financial year and no cash loss in the immediately preceding financial year.



- xviii) There has been no resignation of the statutory auditors during the year and accordingly, the provisions of clause 3(xviii) of the Order is not applicable.
- xix) On the basis of the financial ratios disclosed in Note 49 of the financial statement, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is incapable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx) The Company has fully spent the required amount towards Corporate Social responsibility (CSR) and there are no unspent CSR amounts for the year requiring a transfer to a fund specified in Schedule VII of the Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

**Place: Greater Noida**

**Date: 30<sup>th</sup> May, 2023**

**UDIN: 23537710BGZDMX6063**

**For Nikhil Goel And Associates**

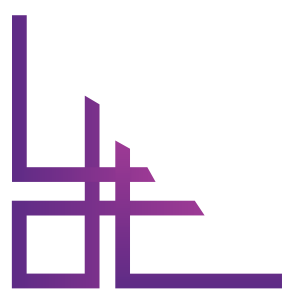
**Chartered Accountant**

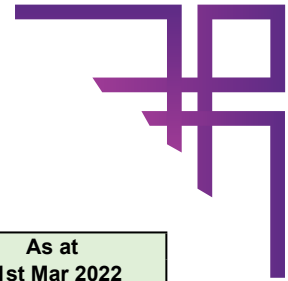
**FRN-020934C**

**(CA Nikhil Goel)**

**Proprietor**

**M.No. 537710**





**PEARL POLYMERS LIMITED  
BALANCE SHEET AS AT 31st March 2023**

PARTICULARS		Note No.	As at 31st March 2023 (Rs. in lakhs)	As at 31st Mar 2022 (Rs. in lakhs)
1	2	3	4	
<b>I ASSETS</b>				
<b>1 Non-current assets</b>				
(a) Property, Plant & Equipment	2	470.74	467.74	
(b) Other Intangible Assets	3	7.86	3.97	
(c) Financial Assets				
(i) Investments	4	139.43	150.53	
(ii) Loans	5	9.32	13.06	
(d) Other Non-Current Assets	6	1.19	0.42	
<b>Sub total Non Current Assets</b>		<b>628.54</b>	<b>635.72</b>	
<b>2 Current assets</b>				
(a) Inventory	7	174.77	307.11	
(b) Financial Assets				
(i) Investments	8	3,047.77	2,907.08	
(ii) Trade Receivables	9	204.75	223.58	
(iii) Cash and Cash Equivalents	10	165.20	810.40	
(iv) Loans	11	71.59	-	
(v) Other Financial Assets	12	46.99	45.87	
(c) Other Current Assets	13	185.18	704.55	
<b>Sub total Current Assets</b>		<b>3,896.25</b>	<b>4,998.59</b>	
<b>TOTAL ASSETS</b>		<b>4,524.79</b>	<b>5,634.31</b>	
<b>II EQUITY AND LIABILITIES</b>				
<b>1 Equity</b>				
(a) Equity Share Capital	14	1,682.68	1,682.68	
(b) Other Equity	15	2,121.19	2,925.55	
<b>Sub Total Equity</b>		<b>3,803.87</b>	<b>4,608.23</b>	
<b>2 Non-current liabilities</b>				
(a) Financial Liability				
(i) Borrowings	16	9.95	22.82	
(b) Provisions	17	58.58	58.27	
(c) Deffered Tax Liability (Net)	18	6.50	4.50	
(d) Other Non Current Liabilities	19	64.65	54.14	
<b>Sub total Non Current Liability</b>		<b>139.68</b>	<b>139.73</b>	
<b>3 Current liabilities</b>				
(a) Financial Liability				
(i) Borrowings	20	12.87	19.11	
(ii) Trade Payables	21	406.67	418.25	
(iii) Other Financial Liabilities	22	39.81	51.46	
(b) Other Current Liabilities	23	106.88	92.58	
(c) Provisions	24	15.01	304.95	
<b>Sub total Current Liability</b>		<b>581.24</b>	<b>886.35</b>	
<b>TOTAL EQUITY AND LIABILITY</b>		<b>4,524.79</b>	<b>5,634.31</b>	

**Significant Accounting Policies**

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

1

2-50

**For Nikhil Goel & Associates  
Chartered Accountant  
(FRN No.020934C)**

**For and on behalf of the board of directors**

**CA NIKHIL GOEL  
Proprietor  
Membership No. 537710**

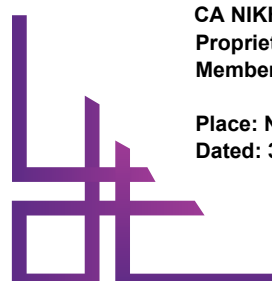
**Place: New Delhi  
Dated: 30th May, 2023**

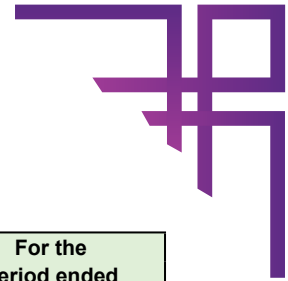
**Udit Seth**  
Chairman & Managing Director  
DIN-00005403

**Varun Seth**  
Whole Time Director  
DIN-00017552

**Sanjeev Rikhi**  
Chief Financial Officer

**Aman Thakran**  
Company Secretary  
M.No.66476





**PEARL POLYMERS LIMITED**  
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31st March 2023

	<u>PARTICULARS</u>	Note No.	For the Period ended 31.03.23 (Rs. in lakhs)	For the Period ended 31.03.22 (Rs. in lakhs)
	1	2	3	4
1	Revenue from Operations	25	1,712.40	1,399.18
2	Other Income	26	237.00	9,077.99
3	<b>Total Income (1+2)</b>		<b>1,949.40</b>	<b>10,477.17</b>
4	<b>Expenses</b>			
	(i) Cost of Materials Sold/Consumed	27	13.59	253.78
	(ii) Purchase of stock in trade	28	1,082.45	833.14
	(iii) Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	29	128.35	93.60
	(iv) Employees Benefits Expnese	30	509.09	645.69
	(v) Finance Costs	31	6.62	25.43
	(vi) Depreciation and Amortization Expense	32	56.53	72.80
	(vii) Other Expenses	33	955.94	5,766.21
	<b>Total Expenses (4)</b>		<b>2,752.57</b>	<b>7,690.65</b>
5	<b>Profit/(loss) before exceptional items and tax (3-4)</b>		(803.17)	2,786.52
6	Exceptional Items		-	-
7	<b>Profit/(loss) before tax (5-6)</b>		<b>(803.17)</b>	<b>2,786.52</b>
8	<b>Tax Expenses:</b>			
	(i) Current Tax		12.10	597.64
	(ii) Deferred Tax		2.00	4.50
9	<b>Profit/(loss) for the period (7-8)</b>		<b>(817.27)</b>	<b>2,184.38</b>
10	<b>Other Comprehensive Income</b>		12.91	20.67
	A (i) Items that will not be reclassified to profit or loss		12.91	20.67
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
11	<b>Total Comprehensive Income for the period (9+10) (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		<b>(804.36)</b>	<b>2,205.05</b>
12	<b>Earnings per equity share (for continuing operation):</b>			
	(i) Basic		(4.86)	12.98
	(ii) Diluted		(4.86)	12.98
13	<b>Earnings per equity share (for discontinued operation):</b>			
	(i) Basic		0.00	0.00
	(ii) Diluted		0.00	0.00
14	<b>Earnings per equity share (for discontinued &amp; continuing operation):</b>	34		
	(i) Basic		(4.86)	12.98
	(ii) Diluted		(4.86)	12.98

**Significant Accounting Policies**

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

1

2-50

**For Nikhil Goel & Associates**  
**Chartered Accountant**  
**(FRN No.020934C)**

**For and on behalf of the board of directors**

**Udit Seth**  
**Chairman & Managing Director**  
**DIN-00005403**

**Varun Seth**  
**Whole Time Director**  
**DIN-00017552**

**CA NIKHIL GOEL**  
**Proprietor**  
**Membership No. 537710**

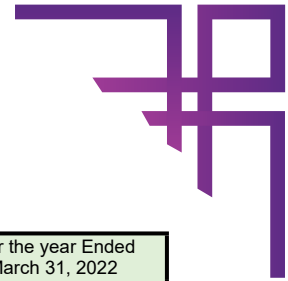
**Sanjeev Rikhi**  
**Chief Financial Officer**

**Aman Thakran**  
**Company Secretary**  
**M.No.66476**

**Place: New Delhi**  
**Dated: 30th May, 2023**







**PEARL POLYMERS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023**

S. No.	Particulars	For the period Ended March 31, 2023 (Rs. in lakhs)	For the year Ended March 31, 2022 (Rs. in lakhs)
A.	<b>Cash flow from operating activities:</b>		
	Net profit / (loss) before tax	(803.17)	2786.52
	Adjustments for :		
	Depreciation/Amortisation	56.53	72.80
	Interest Expense	6.62	25.43
	Interest Income	(102.19)	(80.77)
	Dividend Income	(8.60)	(0.50)
	Actuarial Gain routed through OCI	12.91	20.67
	(Profit)/loss on sale of assets	0.09	157.92
	(Profit)/loss on sale of Investments	(82.55)	(57.70)
	(Profit)/loss on revaluation of Investments	140.11	(47.40)
	<b>Operating profit before working capital changes</b>	<b>(780.25)</b>	<b>2876.97</b>
	<b>Adjustments for changes in working capital :</b>		
	- (Increase)/Decrease in Sundry Debtors	18.83	2432.51
	- (Increase)/Decrease in Other Receivables	450.74	(228.94)
	- (Increase)/Decrease in Inventories	132.34	1285.27
	- Increase/(Decrease) in Trade and Other Payables	(287.92)	(2891.66)
	<b>Cash generated from operations</b>	<b>(466.26)</b>	<b>3474.15</b>
	- Taxes (Paid) / Received	(12.10)	(583.70)
	<b>Net cash from operating activities (a)</b>	<b>(478.36)</b>	<b>2890.45</b>
B.	<b>Cash flow from Investing activities:</b>		
	Purchase of fixed assets		
	Additions during the period	(63.67)	(144.90)
	Proceeds from Sale of fixed assets	0.15	3347.80
	(Purchase)/ Sale of Investment	(187.14)	(2740.11)
	Interest Received (Revenue)	101.07	49.49
	Dividend Received (Revenue)	8.60	0.50
	<b>Net cash used in investing activities (b)</b>	<b>(140.99)</b>	<b>512.78</b>
C.	<b>Cash flow from financing activities:</b>		
	Proceeds from long term borrowings(Net)	(19.11)	(973.59)
	Proceeds from Short Term Borrowing	0.00	(1816.22)
	Interest Paid	(6.74)	(31.98)
	<b>Net cash used in financing activities (c)</b>	<b>(25.85)</b>	<b>(2821.79)</b>
	<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (a+b+c)</b>	<b>(645.20)</b>	<b>581.44</b>
	<b>Cash and cash equivalents as at 01.04.2022</b>	<b>810.40</b>	<b>228.96</b>
	<b>Cash and cash equivalents as at 31.03.2023</b>	<b>165.20</b>	<b>810.40</b>
	<b>Cash and cash equivalents comprise</b>		
	Cash in hand	0.48	0.75
	Balance with Scheduled Banks	164.72	809.65
		<b>165.20</b>	<b>810.40</b>

**Notes :**

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

**On Behalf of the Board**

**For Nikhil Goel & Associates**  
**CHARTERED ACCOUNTANT**  
(FRN No.020934C)

**Udit Seth**  
**Chairman & Managing**  
**Director**  
**DIN-00005403**

**Varun Seth**  
**Whole Time Director**  
**DIN-00017552**

**CA NIKHIL GOEL**  
**Proprietor**  
**Membership No. 537710**  
**Place: New Delhi**  
**Dated: 30th May, 2023**

**Sanjeev Rikhi**  
**Chief Financial Officer**

**Aman Thakran**  
**Company Secretary**  
**M.No.66476**





**PEARL POLYMERS LIMITED**

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2023

**A. EQUITY SHARE CAPITAL**

(Rs. in Lakhs)

Particulars	As at year ended 31.03.2023	As at year ended 31.03.2022
Balance at the beginning of the year	1682.68	1682.68
Addition/(Deletion) during the year	-	-
<b>Balance at the end of the year</b>	<b>1682.68</b>	<b>1682.68</b>

**B. OTHER EQUITY**

(Rs. in Lakhs)

Particulars	Reserve and Surplus					Other comprehensive income	Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Retained Earnings		
Balance as at 31st March, 2021	144.72	1,733.00	1,868.27	147.42	(3,275.07)	102.16	720.50
Profit for the year 2021-22	-	-	-	-	2,184.38	20.67	2,205.05
<b>Balance as at 31st March, 2022</b>	<b>144.72</b>	<b>1,733.00</b>	<b>1,868.27</b>	<b>147.42</b>	<b>(1,090.69)</b>	<b>122.83</b>	<b>2,925.55</b>
Profit for the year 2022-23	-	-	-	-	(817.27)	12.91	(804.36)
<b>Balance as at 31st March, 2023</b>	<b>144.72</b>	<b>1,733.00</b>	<b>1,868.27</b>	<b>147.42</b>	<b>(1,907.96)</b>	<b>135.74</b>	<b>2,121.19</b>

**Significant Accounting Policies**

1

The accompanying notes are an integral part of the financial statements

As per our report of even date

2-50

**For Nikhil Goel & Associates**

**Chartered Accountant**

**(FRN No.020934C)**

**For and on behalf of the board of directors**

**Udit Seth**

**Chairman & Managing Director**

**DIN-00005403**

**Varun Seth**

**Whole Time Director**

**DIN-00017552**

**CA NIKHIL GOEL**

**Proprietor**

**Membership No. 537710**

**Sanjeev Rikhi**

**Chief Financial Officer**

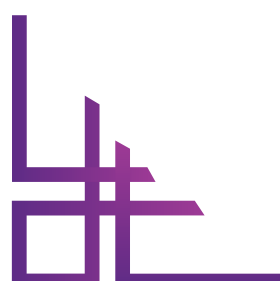
**Aman Thakran**

**Company Secretary**

**M.No.66476**

**Place: New Delhi**

**Dated: 30th May, 2023**



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023****1. COMPANY OVERVIEW**

Pearl Polymers Limited is a listed company incorporated and domiciled in India and has its principal place of business at A-97/2, Okhla Industrial Area, Phase-II, New Delhi-110020. The Company is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The principal business of the company is manufacturing and trading of PET Jars and Bottles. The financial statements are approved for issue by the company's board of directors on May 30, 2023.

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

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

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

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

**C. Basis of Measurement**

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

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

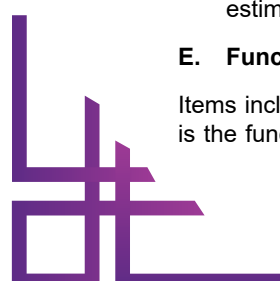
The preparation of financial statements in conformity with Ind-AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

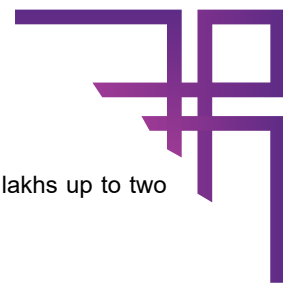
Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments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

- i. **Income Taxes:** The Company's tax jurisdiction is India. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.
- ii. **Provisions and Contingencies:** The assessments undertaken in recognizing the provisions and contingencies have been made in accordance with Ind-AS 37, 'Provisions, Contingent Liabilities and Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.
- iii. **Post-Employment benefit plan:** Employee benefits obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increase and the inflation rate. The company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.
- iv. **Other estimates:** The preparation of standalone financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of standalone financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns etc.

**E. Functional and Presentation Currency**

Items included in the standalone financial statements of the company are measured using Indian Rupee (Rs.) which is the functional currency of the company and the currency of the primary economic environment in which the entity





operates. The presentation currency of the company is also Indian Rupee (Rs.) (Rounded off to Rs. lakhs up to two decimals)

## I. Summary of significant accounting policies

### A. Financial Instruments

#### I. Financial Assets

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

##### Initial recognition and measurement

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

##### Subsequent Measurement

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

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

##### De-recognition of financial assets

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

##### Impairment of financial assets

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

##### Trade receivables

An impairment analysis is performed at each reporting date. The expected credit losses over lifetime of the asset are estimated by adopting the simplified approach using a provision matrix which is based on historical loss rates reflecting



current condition and forecasts of future economic conditions. The company estimates the following provision matrix at the reporting date:

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

#### Other financial assets

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

#### ii. Financial liabilities

Financial liabilities comprise trade payables and other eligible liabilities.

Initial recognition and measurement

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

#### Subsequent measurement

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

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

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

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

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

#### De-recognition of financial liabilities

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

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

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

#### iv. Reclassification of financial assets

The Company determines the classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are categorized as equity instruments at FVTOCI and financial assets or financial liabilities that are specifically designated as FVTPL. For financial assets, which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The management determines change in the business model as a result

of external or internal changes which are significant to the Company's operations. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification

## B. Inventories

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

## C. Property, Plant and Equipment

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

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

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

### Subsequent costs

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

### Depreciation

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

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

Category	Useful life (Years)
Buildings	60
Furniture & Fixture	10
Plant & Machinery	15
Electrical Installation	10
Office Equipments	5
Computer	3
Vehicles	8

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

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

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

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

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





#### **D. Intangible assets**

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

##### **Amortization of Intangible assets**

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

#### **E. Investment property**

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

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

When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

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

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

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

#### **F. Investments in subsidiaries and associates**

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

#### **G. Foreign currency transactions and balances**

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

#### **H. Borrowing costs**

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

#### **I. Leases**

##### **Operating leases**

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





#### **J. Deposits provided to lessor**

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

#### **K. Revenue**

Revenue from the sale of Flat/Plots is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. Interest income is recognized as it accrues in Statement of Profit and Loss using the effective interest method.

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

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

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

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

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

#### **Reversal of impairment loss**

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

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized directly in other comprehensive income and presented within equity.

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

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

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

#### **N. Cash and cash equivalents**

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

For the purpose of Statement of Cash Flows, cash and cash equivalents comprise cash on hand, cash at banks, demand deposits, short-term deposits with balance maturity of three months or less from the balance sheet date



and other short term investments, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## A. Employee Benefits

### i. Short Term Benefits

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

### ii. Post Employment Benefits

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

The Company has the following post-employment benefit plans:

#### Gratuity

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

### I. Other long term employee benefits

#### Leave Encashment

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

## P. Provisions & Contingencies

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

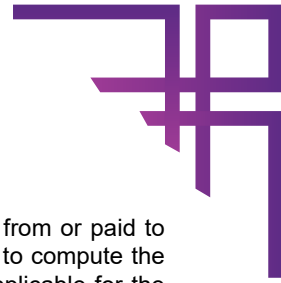
A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed, where an inflow of economic benefits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

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

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

## Q. Income Taxes

Income tax comprises current tax and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.



### **Current Tax**

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

### **Deferred Tax**

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

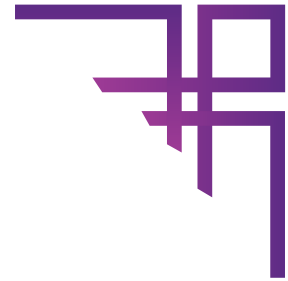
Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred tax liabilities are recognized for all taxable temporary differences.

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

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





**PEARL POLYMERS LIMITED**  
**2A. PROPERTY, PLANT AND EQUIPMENT**

Rs. In lakhs

The following table shows changes in Property, Plant and Equipment during the year ended 31st March 2023

	Land Freehold	Land Leasehold	Building	Plant & Machinery	QC Equipment	Electrical Installation	Moulds	Furniture & Fixtures	Office Equipments	Vehicles	Computers	Total
<b>Cost or Valuation</b>												
As at 1.4.2022	1.26	15.23	261.61	15.84	0.30	(0.00)	241.24	24.81	25.65	172.79	16.38	775.10
Additions	-	-	22.00	-	-	-	30.38	0.22	2.74	-	2.13	57.48
Branch Trf (Received)	-	-	1.25	11.22	-	-	-	1.20	0.25	-	1.15	15.07
Disposals	-	-	-	-	-	-	-	-	-	-	(0.33)	(0.33)
Branch Trf (Send)	-	-	(1.25)	(11.22)	-	-	-	(1.20)	(0.25)	-	(1.15)	(15.07)
<b>As at 31.03.2023</b>	<b>1.26</b>	<b>15.23</b>	<b>283.61</b>	<b>15.84</b>	<b>0.30</b>	<b>(0.00)</b>	<b>271.62</b>	<b>25.03</b>	<b>28.39</b>	<b>172.79</b>	<b>18.18</b>	<b>832.25</b>
<b>Depreciation</b>												
As at 1.4.2022	-	1.26	89.72	9.21	0.12	(0.00)	98.59	11.91	17.62	69.03	9.91	307.36
Charges for the year	-	0.20	12.82	0.84	0.06	-	15.39	1.92	1.92	19.16	1.92	54.24
Branch Trf -Received	-	-	0.31	6.61	-	-	-	0.98	0.23	-	1.00	9.13
Disposals	-	-	-	-	-	-	-	-	-	-	(0.09)	(0.09)
Branch Trf (Send)	-	-	(0.31)	(6.61)	-	-	-	(0.98)	(0.23)	-	(1.00)	(9.13)
<b>As at 31.03.2023</b>	<b>-</b>	<b>1.46</b>	<b>102.54</b>	<b>10.05</b>	<b>0.18</b>	<b>(0.00)</b>	<b>113.98</b>	<b>13.83</b>	<b>19.54</b>	<b>88.19</b>	<b>11.74</b>	<b>361.51</b>
<b>Net Block</b>												
As at 31.03.2023	1.26	13.77	181.07	5.79	0.12	(0.00)	157.64	11.20	8.85	84.60	6.44	470.74
As at 31.3.2022	1.26	13.97	171.89	6.63	0.18	(0.00)	142.65	12.90	8.03	103.76	6.47	467.74

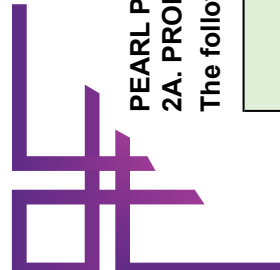
**3A. CAPITAL WORK IN PROGRESS**

The following table shows change in Capital Work in Progress during the year ended 31st March 2023

Particulars	Capital work in progress
As at 1.4.2022	-
Addition	- .0
Amount transferred from CWIP	- .0
<b>As at 31.03.2023</b>	<b>- .0</b>

**4A. INTANGIBLE ASSETS**

Particulars	Software	Total
Gross Carrying value		
As at 1.4.2022	11.98	11.98
Addition	6.20	6.20
Deletions	(4.45)	(4.45)
<b>As at 31.03.2023</b>	<b>13.73</b>	<b>13.73</b>
Amortization		
As at 1.4.2022	8.01	8.01
Charges for the year	2.30	2.30
Deletions	(4.45)	(4.45)
<b>As at 31.03.2023</b>	<b>5.86</b>	<b>5.86</b>
<b>Net Carrying Value</b>		
As at 31.03.2023	7.87	7.87
As at 31.3.2022	3.97	3.97





**PEARL POLYMERS LTD**  
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2023

**NON CURRENT ASSETS**

<b>Particulars</b>		<b>As at 31st March 2023</b>		<b>As at 31st March 2022</b>	
<b>2</b>	<b>Property Plant &amp; Equipment</b>				
	Property, Plant & Equipment		470.74		467.74
	<b>Total Property Plant &amp; Equipment</b>		<b>470.74</b>		<b>467.74</b>

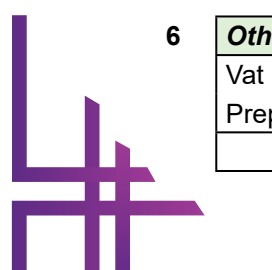
<b>Other Intangible Assets</b>		<b>As at 31st March 2023</b>		<b>As at 31st March 2022</b>	
<b>3</b>	<b>Other Intangible Assets</b>				
	Other Intangible Assets		7.86		3.97
	<b>Total Other Intangible Assets</b>		<b>7.86</b>		<b>3.97</b>

**FINANCIAL ASSETS**

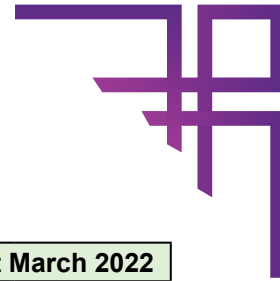
<b>Investments</b>		<b>As at 31st March 2023</b>		<b>As at 31st March 2022</b>	
<b>4</b>	<b>Investments at fair value through OCI (Fully paid)</b>				
	<b>Investment in Associates</b>				
	<b>Investment in Preference Shares-Unquoted</b>				
	i) 84,500 (Previous Year -84,500) 6% Redeemable Non-Cumulative Preference Shares of Rs.100/- each of Pacific Pearl Finance & Leasing Ltd		84.50		84.50
	<b>Investment in Equity Shares-Unquoted</b>				
	i) 54,92,960 Equity Shares (Previous Year - 54,92,960) Equity Shares of Rs.10/- each in Pearl Engineering Polymers Ltd.		54.93		54.93
	<b>Investment in Equity Shares-Quoted</b>				
	i) Nil (Previous Year 27,750) Equity Shares of Rs.10/- each in Pearl Apartments Ltd.		-		11.10
	<b>Total Investments</b>		<b>139.43</b>		<b>150.53</b>
	Aggregate market value of Quoted Investments		-		11.10
	Aggregate amount of Quoted Investments		-		11.10
	Aggregate amount of Unquoted Investments		139.43		139.43

<b>Loans</b>		<b>As at 31st March 2023</b>		<b>As at 31st March 2022</b>	
<b>5</b>	<b>Security Deposits-unsecured-considered good</b>				
	- Considered Good		9.32		13.06
	- Less Provision for Doubtful		-		9.32
	<b>Total Loans</b>		<b>9.32</b>		<b>13.06</b>

<b>Other Non Current Assets</b>		<b>As at 31st March 2023</b>		<b>As at 31st March 2022</b>	
<b>6</b>	<b>Other Non Current Assets</b>				
	Vat Recoverable		0.37		0.37
	Prepaid Expenses		0.82		0.05
	<b>Total Other Non Current Assets</b>		<b>1.19</b>		<b>0.42</b>







### CURRENT ASSETS

7	Inventories	As at 31st March 2023		As at 31st March 2022	
	Raw Materials		2.54		4.17
	Packing Materials		1.61		3.97
	Stock in Trade		169.93		294.65
	Scrap-FG		0.69		4.32
	<b>Total Inventories</b>		<b>174.77</b>		<b>307.11</b>

### FINANCIAL ASSETS

8	Investments	As at 31st March 2023		As at 31st March 2022	
	Investments in Equity Shares		917.42		635.11
	Investments in Mutual Fund		1,132.39		1,295.38
	Investments in Bonds		836.12		677.39
	Investments in Debentures		161.84		299.20
	<b>Total Investments</b>		<b>3,047.77</b>		<b>2,907.08</b>

9	Trade Receivables	As at 31st March 2023		As at 31st March 2022	
	Unsecured considered good		204.75		223.58
	Unsecured considered doubtful		49.57		49.57
			254.32		273.15
	Less: Provision for Doubtful Debts		(49.57)		(49.57)
	<b>Total Trade Receivables</b>		<b>204.75</b>		<b>223.58</b>

### Ageing of Trade Receivable

Ageing of trade receivable	As at March 31, 2023					
	Less than 6 Months	6 months - 1 year	1-2 year	2-3 year	More than 3 year	Total
<b>Undisputed Trade Receivable</b>	<b>197.74</b>	<b>5.26</b>	<b>1.56</b>	<b>0.19</b>	<b>0.00</b>	<b>204.75</b>
Considered goods	197.74	5.26	1.56	0.19	0.00	204.75
Considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
<b>Disputed Trade Receivable</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Considered goods	0.00	0.00	0.00	0.00	0.00	0.00
Considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
<b>Balance at the end of the year</b>	<b>197.74</b>	<b>5.26</b>	<b>1.56</b>	<b>0.19</b>	<b>0.00</b>	<b>204.75</b>

Ageing of trade receivable	As at March 31, 2022					
	Less than 6 Months	6 months - 1 year	1-2 year	2-3 year	More than 3 year	Total
<b>Undisputed Trade Receivable</b>	<b>213.73</b>	<b>2.42</b>	<b>3.24</b>	<b>3.44</b>	<b>0.75</b>	<b>223.58</b>
Considered goods	213.73	2.42	3.24	3.44	0.75	223.58
Considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
<b>Disputed Trade Receivable</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Considered goods	0.00	0.00	0.00	0.00	0.00	0.00
Considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
<b>Balance at the end of the year</b>	<b>213.73</b>	<b>2.42</b>	<b>3.24</b>	<b>3.44</b>	<b>0.75</b>	<b>223.58</b>



10	<b>Cash and Cash Equivalents</b>	<b>As at 31st March 2023</b>		<b>As at 31st March 2022</b>	
	Balances with Banks				
	- Current account	32.01		257.40	
	Cash in hand	0.48		0.75	
	Fixed Deposits with BOB for more than 3 months but less than 12 months	132.71		552.25	
		-	165.20	-	810.40
	<b>Total Cash and Cash Equivalents</b>		<b>165.20</b>		<b>810.40</b>

11	<b>Loans</b>	<b>As at 31st March 2023</b>		<b>As at 31st March 2022</b>	
	Inter Corporate Deposit		71.59		-
	<b>Total Loans</b>		<b>71.59</b>		<b>-</b>

12	<b>Other Financial Assets</b>	<b>As at 31st March 2023</b>		<b>As at 31st March 2022</b>	
	Interest Receivables		46.99		45.87
	<b>Total Other Financial Assets</b>		<b>46.99</b>		<b>45.87</b>

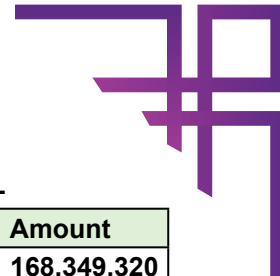
13	<b>Other Current Assets</b>	<b>As at 31st March 2023</b>		<b>As at 31st March 2022</b>	
	<b>Advances Recoverable from Related Parties-Unsecured-considered good</b>				
	TDS Recoverable		4.23		-
	Balances with GST,excise and custom authorities		98.78		134.49
	Prepaid Expenses		8.73		9.70
	Tour & Other advances to Staff		6.55		6.10
	Advance to supplier		31.83		23.76
	Manjushree Technopack Limited-Sale Proceeds Account		-		397.84
	MTL Debtors Collection		0.75		5.15
	Others		34.31		127.50
	<b>Total Other Current Assets</b>		<b>185.18</b>		<b>704.55</b>

### EQUITY AND LIABILITIES

#### STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

#### 14 EQUITY SHARE CAPITAL

	<b>Particulars</b>		<b>As at 31st March 2023</b>		<b>As at 31st March 2022</b>	
	<b>AUTHORISED</b>					
	3,00,00,000(Previous Year-3,00,00,000) Equity shares of Rs.10/- each			3,000.00		3,000.00
	20,00,000(Previous Year-20,00,000) Non Cumulative Redeemable Preference Shares of Rs.100/- each			2,000.00		2,000.00
	<b>Total Authorised Capital</b>			<b>5,000.00</b>		<b>5,000.00</b>
	<b>ISSUED, SUBSCRIBED &amp; FULLY PAID UP</b>					
	168,34,932(Previous Year 168,34,932) Equity shares of `10/-each.		1,683.49		1,683.49	
	Less : Calls in Arrears		(0.81)	1,682.68	(0.81)	1,682.68
	<b>Total issued, subscribed and paid-up capital</b>			<b>1,682.68</b>		<b>1,682.68</b>



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

Particulars	No. of Shares	Amount
<b>As at 1st April 2021</b>	<b>16,834,932</b>	<b>168,349,320</b>
Add/(less): Issued/(redeemed) during the year	-	-
<b>As at 31st March 2022</b>	<b>16,834,932</b>	<b>168,349,320</b>
Add/(less): Issued/(redeemed) during the year	-	-
<b>As at 31st March 2023</b>	<b>16,834,932</b>	<b>168,349,320</b>

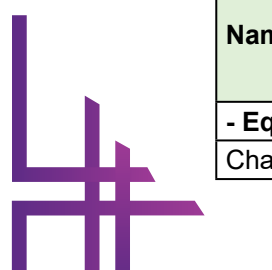
**(b) Number of shares held by each equity shareholder holding more than 5 percent of the issued share capital:**

Particulars	No. of Shares (in lakhs)	% of holding
<b>As at 1st April 2021</b>		
Mr. Chand Seth	12.39	7.36%
Pearl Telefonics Ltd. (formaly known as Sinclair Exports Ltd.)	23.28	13.83%
Pacific Pearl Finance & Leasing Pvt. Ltd.	12.36	7.34%
Theta Investments Pvt Ltd	20.64	12.26%
<b>As at 31st March 2022</b>		
Mr. Chand Seth	12.39	7.36%
Pearl Telefonics Ltd. (formaly known as Sinclair Exports Ltd.)	23.28	13.83%
Pacific Pearl Finance & Leasing Pvt. Ltd.	12.36	7.34%
Theta Investments Pvt. Ltd.	20.64	12.26%
<b>As at 31st March 2023</b>		
Mr. Chand Seth	12.39	7.36%
Pearl Telefonics Ltd. (formaly known as Sinclair Exports Ltd.)	23.28	13.83%
Pacific Pearl Finance & Leasing Pvt. Ltd.	12.36	7.34%
Theta Investments Pvt. Ltd.	20.64	12.26%

**(c) Details of Shares held by Promotors at the end of the year**

Name of the Promotor	March 31, 2023	Change in No of shares	March 31, 2022	% of holding of Equity Shares	% Change during the Year
<b>- Equity Shares</b>					
Chand Seth	<b>12.39</b>	0	12.39	7.36%	0.00
Suneeta Seth	<b>2.05</b>	0	2.05	1.22%	0.00
Varun Seth	<b>7.58</b>	0	7.58	4.50%	0.00
Udit Seth	<b>6.50</b>	0	6.50	3.86%	0.00
Amit Seth	<b>7.23</b>	0	7.23	4.29%	0.00
Pacific Pearl Finance & Leasing Pvt. Ltd.	<b>12.36</b>	0	12.36	7.34%	0.00
Pearl Flats (India) Ltd.	<b>1.54</b>	0	1.54	0.91%	0.00
Theta Investments Pvt. Ltd.	<b>20.64</b>	0	20.64	12.26%	0.00
Pearl Telefonics Pvt. Ltd.	<b>23.28</b>	0	23.28	13.83%	0.00
	<b>93.57</b>	<b>0</b>	<b>93.57</b>	<b>55.58%</b>	<b>0.00</b>

Name of the Promotor	March 31, 2022	Change in No of shares	March 31, 2021	% of holding of Equity Shares	% Change during the Year
<b>- Equity Shares</b>					
Chand Seth	<b>12.39</b>	0	12.39	7.36%	0.00



Suneeta Seth	2.05	0	2.05	1.22%	0.00
Varun Seth	7.58	0	7.58	4.50%	0.00
Udit Seth	6.50	0	6.50	3.86%	0.00
Amit Seth	7.23	0	7.23	4.29%	0.00
Pacific Pearl Finance & Leasing Pvt. Ltd.	12.36	0	12.36	7.34%	0.00
Pearl Flats (India) Ltd.	1.54	0	1.54	0.91%	0.00
Theta Investments Pvt. Ltd.	20.64	0	20.64	12.26%	0.00
Pearl Telefonics Pvt. Ltd.	23.28	0	23.28	13.83%	0.00
	93.57	0	93.57	55.58%	0.00

15	OTHER EQUITY	As at 31st March 2023		As at 31st March 2022	
	<b>(a) Reserve and Surplus</b>				
	<b>Capital Reserve</b>				
	Balance at the commencement of the year		84.72		144.72
	Add: Addition/(deletion) during the year		60.00		-
	<b>Balance at the end</b>		<b>144.72</b>		<b>144.72</b>
	<b>Capital Redemption Reserve</b>				
	Balance at the commencement of the year		1,733.00		1,733.00
	Add: Addition/(deletion) during the year		-		-
	<b>Balance at the end</b>		<b>1,733.00</b>		<b>1,733.00</b>
	<b>Securities Premium Reserve</b>				
	Balance at the commencement of the year		1,868.27		1,868.27
	Add: Addition/(deletion) during the year		-		-
	<b>Balance at the end</b>		<b>1,868.27</b>		<b>1,868.27</b>
	<b>General Reserve</b>				
	Balance at the commencement of the year		147.42		147.42
	Add: Addition/(deletion) during the year		-		-
	<b>Balance at the end</b>		<b>147.42</b>		<b>147.42</b>
	<b>Retained Earnings</b>				
	Balance at the commencement of the year		(1,090.69)		(3,275.07)
	Add: Profit/(loss) during the year		(817.27)		2,184.38
	<b>Balance at the end</b>		<b>(1,907.96)</b>		<b>(1,090.69)</b>
	<b>Total (a)</b>		<b>1,985.45</b>		<b>2,802.73</b>
	<b>(a) Other Components of Equity</b>				
	<b>Remeasurement of net defined benefit plan</b>				
	Balance at the commencement of the year		122.83		102.16
	Add: Profit/(loss) during the year		12.91		20.67
	<b>Balance at the end</b>		<b>135.74</b>		<b>122.83</b>
	<b>Total (a)</b>		<b>135.74</b>		<b>122.83</b>
	<b>Total (a+b)</b>		<b>2,121.19</b>		<b>2,925.55</b>

## NON CURRENT LIABILITIES

### FINANCIAL LIABILITIES

16	<b>Borrowings</b>	<b>As at 31st March 2023</b>		<b>As at 31st March 2022</b>	
	Vehicle Loans from Banks (secured)		9.95		22.82
	<b>Total Borrowings</b>		<b>9.95</b>		<b>22.82</b>

#### I Vehicles Loans

Vehicle loans of Rs.22.82 lakhs (Previous Year Rs. 41.93 lakhs) are secured against hypothecation of respective vehicles. Repayments - in monthly installment till 01.12.2024

#### Repayments of above Vehicles Loans are as follows:

- (i) From 0 to 1 years - Rs. 12.87 lakhs
- (ii) From 1 to 2 years - Rs. 9.95 lakhs

### NON FINANCIAL LIABILITIES

17	<b>Provisions</b>	<b>As at 31st March 2023</b>		<b>As at 31st March 2022</b>	
	<b>Provision for Employees Benefits</b>				
	Gratuity		52.29		50.65
	Leave Encashment (Refer note No. 43)		6.29		7.62
	<b>Total Provisions</b>		<b>58.58</b>		<b>58.27</b>

18	<b>Deferred Tax Liability (Net)</b>	<b>As at 31st March 2023</b>		<b>As at 31st March 2022</b>	
	<b>Deferred Tax Assets</b>				
	Provision for Doubtful Debt and Advances		12.90		10.90
	Provision for Leave Encashment		3.30		3.00
	Gratuity		14.50		11.90
	Bonus		0.90		0.70
			<b>31.60</b>		<b>26.50</b>
	<b>Liabilities</b>				
	Depreciation		38.10		31.00
			<b>38.10</b>		<b>31.00</b>
	<b>Total Deferred Tax Liability (Net)</b>		<b>6.50</b>		<b>4.50</b>

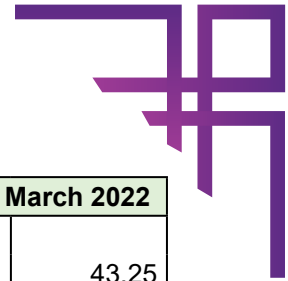
The Company has created Deferred Tax Assets only to the extent of sufficient taxable temporary difference (Deferred Tax Liability) available as on balance sheet date as per the prudence norms and as per "Indian Accounting Standard 12 - Income Taxes" applicable to the Company.

19	<b>Other Non Current Liabilities</b>	<b>As at 31st March 2023</b>		<b>As at 31st March 2022</b>	
	<b>Others</b>				
	Security Deposits Received		64.65		54.14
	<b>Total Other Non Current Liabilities</b>		<b>64.65</b>		<b>54.14</b>

## CURRENT LIABILITIES

### FINANCIAL LIABILITIES

20	<b>Borrowings</b>	<b>As at 31st March 2023</b>		<b>As at 31st March 2022</b>	
	Vehicle Loans from Banks (secured)		12.87		19.11
	<b>Total Borrowings</b>		<b>12.87</b>		<b>19.11</b>



21 <b>Trade Payables</b>	<b>As at 31st March 2023</b>		<b>As at 31st March 2022</b>	
Creditors for Raw materials/FG*		338.26		43.25
Due to Micro and Small Enterprises	-		-	
Others	338.26		43.25	
Creditors for Capital Goods*		5.44		-
Creditors for Other Service*		62.97		375.00
*(Refer Note No. 44 for details of dues to Micro & Small Enterprises)				
<b>Total Trade Payables</b>		<b>406.67</b>		<b>418.25</b>

#### Ageing of Trade Payable

Ageing of trade payable	As at March 31, 2023				
	Less than 1 Year	Less than 1-2 Year	Less than 2-3 Year	More than 3 years	Total
MSME	0.00	0.00	0.00	0.00	0.00
Others	387.39	2.68	0.00	16.60	406.67
Disputed Dues - MSME	0.00	0.00	0.00	0.00	0.00
Disputed Dues - Others	0.00	0.00	0.00	0.00	0.00
<b>Balance at the end of the year</b>	<b>387.39</b>	<b>2.68</b>	<b>0.00</b>	<b>16.60</b>	<b>406.67</b>

Ageing of trade payable	As at March 31, 2022				
	Less than 1 Year	Less than 1-2 Year	Less than 2-3 Year	More than 3 years	Total
MSME	0.00	0.00	0.00	0.00	0.00
Others	391.36	1.36	8.00	17.53	418.25
Disputed Dues - MSME	0.00	0.00	0.00	0.00	0.00
Disputed Dues - Others	0.00	0.00	0.00	0.00	0.00
<b>Balance at the end of the year</b>	<b>391.36</b>	<b>1.36</b>	<b>8.00</b>	<b>17.53</b>	<b>418.25</b>

22 <b>Other Financial Liabilities</b>	<b>As at 31st March 2023</b>		<b>As at 31st March 2022</b>	
Interest accrued but not due		0.13		0.26
Employee benefits payable				
-Bonus Payable		3.41		4.09
-EPF Payable		3.33		3.28
-ESI Payable		0.07		3.24
-LTA Payable		0.10		0.29
-Professional Tax Payable		0.01		0.04
-Salay Payable		26.25		29.50
-Directors Remuneration Payable		6.51		10.76
<b>Total Other Financial Liabilities</b>		<b>39.81</b>		<b>51.46</b>

#### NON FINANCIAL LIABILITIES

23 <b>Other Current Liabilities</b>	<b>As at 31st March 2023</b>		<b>As at 31st March 2022</b>	
Expense Payable		59.31		45.14
GST Payable		0.17		7.18
TDS Payable		11.35		13.06
Staff Advance		9.65		13.62
Pearl Employees Thrift Society		0.41		0.41



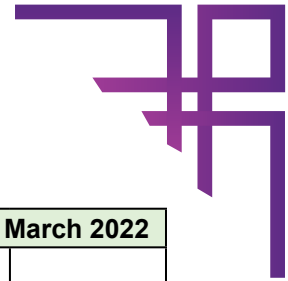


Stale Cheque		-	0.08
Relief Fund		0.73	0.73
Other Current Liabilities		1.15	-
Advance Received from customers		20.54	8.42
Other Payables		3.57	3.94
<b>Total Other Current Liabilities</b>		<b>106.88</b>	<b>92.58</b>

24	<b>Provisions</b>	<b>As at 31st March 2023</b>		<b>As at 31st March 2022</b>	
	<b>Provision for Employees Benefits</b>				
	Gratuity		3.65		3.34
	Leave Encashment (Refer Note No. 43)		6.34		5.87
	<b>Provision for Income Tax (Net of Advance Tax)</b>		5.02		295.74
	<b>Total Provisions</b>		<b>15.01</b>		<b>304.95</b>

25	<b>Revenue from Operations</b>	<b>As at 31st March 2023</b>		<b>As at 31st March 2022</b>	
	Sale of products		1,712.40		1,391.91
	Other operating revenues		-		7.27
	<b>Total Revenue from Operations</b>		<b>1,712.40</b>		<b>1,399.18</b>

26	<b>Other Income</b>	<b>As at 31st March 2023</b>		<b>As at 31st March 2022</b>	
	Sales under BTA		-		8,758.72
	<b>Interest income on</b>				
	Bank Deposits		13.03		24.40
	Interest Received on Bonds		73.83		52.07
	Others		15.33		4.30
	Rent Received		25.57		-
	Gain on revaluation of investments in Equity Shares		-		47.40
	Insurance Claims Received		-		0.25
	Balances written back		15.01		20.54
	Provision for Bad and Doubtful Debts/Advances written back		-		100.68
	Gain on Sale of Mutual Funds		46.15		57.70
	Gain on sale of Equity Shares		21.34		-
	Dividend Received		8.60		0.50
	Profit & Loss on Sale of Bond/NCD		15.06		-
	Misc Income		3.08		11.43
	<b>Total Other Income</b>		<b>237.00</b>		<b>9,077.99</b>



27	<b>Cost of Raw Materials Consumed</b>	<b>As at 31st March 2023</b>		<b>As at 31st March 2022</b>	
<b>Raw Materials</b>					
	Inventory at the beginning of the year	4.17		432.67	
	Add: Purchase	0.03		73.45	
	Less: Inventory transfer to MTL	-		329.60	
	Less: Inventory at the end of the year	2.53	1.67	4.17	172.35
<b>Packing Materials</b>					
	Inventory at the beginning of the year	3.97		122.99	
	Add: Purchase	9.56		19.25	
	Less: Inventory transfer to MTL	-		61.44	
	Less: Inventory at the end of the year	1.61	11.92	3.97	76.83
<b>Direct Purchase</b>					
	Caps/Wads	-	-	4.59	4.59
	<b>Total Cost of Raw Materials Consumed</b>		<b>13.59</b>		<b>253.78</b>

<b>Particulars of Raw Materials consumed</b>	<b>Value Rs. in lakhs Mar 31, 2023</b>		<b>Value Rs. in lakhs Mar 31, 2022</b>	
Pet Chips		0.12		117.21
Polypropylene		1.55		40.51
Other		0.00		14.63
		<b>1.67</b>		<b>172.35</b>

28	<b>Purchase of Traded goods</b>	<b>As at 31st March 2023</b>		<b>As at 31st March 2022</b>	
	Bottles & Jars etc		1,082.45		833.14
			<b>1,082.45</b>		<b>833.14</b>

29	<b>Changes in inventories of Finished Goods, Stock in Process and Stock in Trade</b>	<b>As at 31st March 2023</b>		<b>As at 31st March 2022</b>	
<b>Inventory at the beginning of the year</b>					
	Finished goods and Accessories	-		717.03	
	Stock in Trade	294.65		117.82	
	Scrap-FG	4.32		-	
	Semifinished goods	-	298.97	53.55	888.40
<b>Inventory at the end of the year</b>					
	Finished goods and Accessories	-		-	
	Stock in Trade	(169.93)		(294.65)	
	Scrap-FG	(0.69)		(4.32)	
	Semifinished goods	-	(170.62)	-	(298.97)
	Finished goods transfer to MTL	-	-	(495.82)	(495.82)
			<b>128.35</b>		<b>93.60</b>



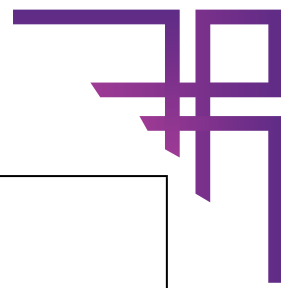
30	<b>Employee benefit Expenses</b>	<b>As at 31st March 2023</b>		<b>As at 31st March 2022</b>	
	Salary, Wages, Bonus & Other Allowance		458.08		602.59
	Contribution to P.F, ESI & other Funds		35.83		33.27
	Staff Welfare expenses		15.18		9.83
	<b>Total Employee benefit Expenses</b>		<b>509.09</b>		<b>645.69</b>
31	<b>Finance Costs</b>	<b>As at 31st March 2023</b>		<b>As at 31st March 2022</b>	
	Interest Expenses		6.27		20.70
	Other Borrowing Cost		0.35		4.73
	<b>Total Finance Cost</b>		<b>6.62</b>		<b>25.43</b>
32	<b>Depreciation and Amortization</b>	<b>As at 31st March 2023</b>		<b>As at 31st March 2022</b>	
	Depreciation		54.23		70.20
	Amortization		2.30		2.60
	<b>Total Depreciation and Amortization</b>		<b>56.53</b>		<b>72.80</b>
33	<b>Other Expenses</b>	<b>As at 31st March 2023</b>		<b>As at 31st March 2022</b>	
	BTA Cost		-		4,029.93
	Consumption of Stores & Spares		-		36.73
	Freight, Octroi & Cartage		116.68		83.78
	Power and Fuel		-		42.42
	Electricity & Water Charges		24.13		19.67
	Advertisement, Publicity & Selling expenses		306.15		123.02
	Printing, Stationery, Postage, Telephone & Telex		12.38		8.92
	Rent		20.32		27.26
	Repairs & Maintenance				
	- Building		-		7.38
	- Machinery		-		4.11
	- Others		29.01		27.11
	Insurance		14.14		17.64
	Rates & Taxes		6.58		10.90
	Commission		3.07		1.32
	Conveyance & Travelling expenses		103.49		44.80
	Legal & Professional Fees		103.83		446.08
	Payment to Auditors (Refer details below)		15.36		40.20
	Exchange Rate Fluctuation (Net)		-		8.36
	Donations		-		4.51
	Loss on Sale/Write off Fixed Assets		0.09		157.92
	Director's Sitting fees		-		0.45
	Sales Tax Additional Demand		0.03		2.57
	Bad debts written off		10.52		412.83
	Loss on revaluation of Investments		140.11		-
	Advances written off		1.20		76.75
	Loss on Sale of Shares		-		41.96
	Gain/loss on Jobbing of Equity Shares		0.03		-
	Wages Contractors		1.32		16.32
	Security Expense		22.65		23.75
	Hire Charges		1.50		3.70

Miscellaneous expenses		22.35	38.63
CSR Expenditure		1.00	-
Job work/Processing charges		-	7.20
<b>Total Other Expenses</b>		<b>955.94</b>	<b>5,766.21</b>

	Statutory Auditors	Statutory Auditors
<b>Payment to Auditors</b>		
Audit Fees		
Fee as Auditors	11.33	30.40
Tax Audit Fee	4.03	4.30
Fee for Other Services*	-	5.50
Total Payment to Auditors	<b>15.36</b>	<b>40.20</b>
<b>*Fees for Other Services primarily includes certification fees paid to auditors.</b>		

34 Earning per share (EPS)	2022-23		2021-22	
The following reflects the basic and diluted EPS computations :				
<b>Total operations for the year</b>		(Rs. in lakhs)		(Rs. in lakhs)
Net Profit/(Loss) for allocation of basic EPS		(817.27)		2,184.38
		(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.)		<b>(4.85)</b>		<b>12.98</b>
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.)		<b>(4.85)</b>		<b>12.98</b>

35 Contingent Liabilities	2022-23 (Rs. in lakhs)	2021-22 (Rs. in lakhs)
Bills discounted		
In respect of guarantees executed by Banks against lodgment of counter guarantees of the Company * Provided by way of Margin Money Rs. Nil (Previous Year Rs. 14.45 lakhs)	-	<b>14.45</b>
In respect of demands for Excise Duty * * includes: The Company had received for its unit at Mahad show cause notice from:- Dy. Commissioner of Central Excise. Mahad Division issued SCN for producing & clearing both dutiable and non dutiable product under Notification No. 4/1997 Dated 01.03.1997 for Rs. 360.59 lakhs for the period from March 1997 to June 1997. It appears that Appeal of department is set aside by CESTAT and department has filed appeal before Supreme Court in same matter for earlier period. This case was in call book and has been heard now by Commissioner of Central Excise, Raigad on 11.12.2013 and order is awaited.	<b>366.13</b>	<b>366.13</b>



<p>Joint Commissioner of Central Excise has given notice fir for excess availment of cenvat credit on the supply of pet chips by SOUTHASIAN PETRO CHEM. against invoices from 16.07.2004 to 14.08.2004. Duty recoverable Rs. 7,18,752/- (duty Rs.704659/- + EC Rs.14093/). Department has filed Appeal before CESTAT against dropping of Ed Cess of Rs. 14,093/-. Entire duty demanded has been paid on receipt of notice, hence liability is restricted to penalty at Rs.500000/- and ED Cess at Rs.14093/- only.</p> <p>Asst. Commissioner has issued show cause notice relating to supplementary invoices raised from January 2001 to April 2003 and payment of differential duty by the Company. Demand of Rs. 40,000/- approx raised by the department for delay in payment of differential duty.</p>		
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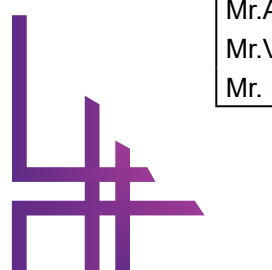
36 Value of imports calculated on CIF basis	2022-23 (Rs. in lakhs)	2021-22 (Rs. in lakhs)
Raw Materials	-	37.78

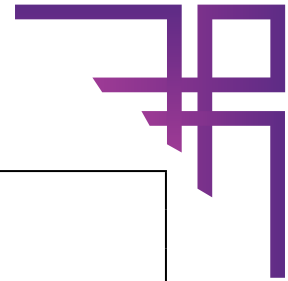
37 Expenditure in foreign currency (accrual basis)	2022-23 (Rs. in lakhs)	2021-22 (Rs. in lakhs)
Travelling and conveyance	3.82	-
Membership & Subscription	2.17	-
Others	0.92	-

38 Particulars	2022-23		2021-22	
Imported and Indigenous Raw Materials, Components and Spare parts consumed	% of Total Consumption	Value Rs. in lakhs	% of Total Consumption	Value Rs. in lakhs
	<b>Raw Materials</b>			
Imported	-	-	14	36.67
Indigenously obtained	100	13.59	86	217.11
	100	13.59	100	253.78
<b>Spare parts &amp; Components</b>				
Indigenously obtained	-	-	100	36.73
	-	-	100	36.73

39 Purchases are net of incentives received.

40	<p><b>Related party disclosures</b></p> <p>Name of relative parties and related party relationship</p> <p><b>Key Management Personnel</b></p> <p>Mr.Chand Seth - Chairman &amp; Managing Director(Left on 14.08.2021)</p> <p>Mr.Udit Seth - Chairman &amp; Managing Director(w.e.f 16.08.2021)</p> <p>Mr.Amit Seth - Whole Time Director(w.e.f. 16.08.2021)</p> <p>Mr.Varun Seth - Whole Time Director</p> <p>Mr. Ramesh Mehra - Whole Time Director (w.e.f 12.08.2021)</p>
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**Relatives of Key Management personnel and their enterprises where transactions have taken place**

Mr.Chand Seth (w.e.f 15.08.2021)  
Mrs. Suneeta Seth  
Mr. Amit Seth (till 15.08.2021)  
Mr. Udit Seth (till 15.08.2021)

**Related parties where control exists**

Pearl Flats India Ltd.  
Pacific Pearl Finance & Leasing Pvt. Ltd.  
Pearl Telefonics Ltd ( Formerly Sinclair Exports Ltd)  
Theta Investments Pvt. Ltd.  
Pearl Engineering Polymers Ltd.

**41 Related party transactions**

<b>Key Management Personnel</b>				
<b><u>Remuneration paid</u></b>				
Mr Chand Seth		-		<b>84.61</b>
Mr Varun Seth		<b>57.49</b>		<b>56.48</b>
Mr Ramesh Mehra		-		<b>3.84</b>
Mr. Amit Seth		<b>55.30</b>		<b>36.45</b>
Mr. Udit Seth		<b>55.30</b>		<b>36.76</b>
<b><u>Loan paid</u></b>				
Mr Chand Seth		-		<b>316.09</b>
Mr Varun Seth		-		<b>59.82</b>
<b><u>Outstanding payable</u></b>				
Mr. Varun Seth		<b>2.34</b>		<b>5.85</b>
Mr. Amit Seth		<b>2.09</b>		<b>4.90</b>
Mr. Udit Seth		<b>2.09</b>		<b>4.80</b>

**42 Relatives of Key Management Personnel**

<b><u>Remuneration paid</u></b>				
Mr Amit Seth		-		<b>11.12</b>
Mr Udit Seth		-		<b>11.12</b>
<b><u>Consultancy paid</u></b>				
Mr Chand Seth		<b>34.75</b>		<b>29.17</b>
<b><u>Rent paid</u></b>				
Mrs Suneeta Seth		-		<b>4.47</b>
<b><u>Outstanding Payable</u></b>				
Mr Chand Seth		<b>1.08</b>		<b>4.80</b>





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

<b>Employees Benefits</b>					
The Company has adopted Accounting Standard (AS)-15, "Employees Benefits" notified in the Companies (Accounting Standards) Rules 2006. The Company has classified various employees benefits as under:					
<b>Defined Contribution Plans</b>					
The Company has recognized the following amounts in the Profit & Loss Accounts for the year					
I. Employer's Contribution to Provident Fund		11.62		14.56	
II. Employer's Contribution to Superannuation Fund		14.28		9.93	
III. Employer's Contribution to Employees' Pension Scheme		6.72		7.10	
IV. Employer's Contribution to Employees' State Insurance Scheme		0.78		0.97	
<b>Defined Benefit Plans</b>					
Valuations in respect of Gratuity, Leave Encashment and Compensated Absences have been carried out by independent actuary, as at the Balance Sheet date based on the following assumptions:					
a) Discount Rate (per annum)	7.50%		7.25%		
b) Rate of increase on compensation levels/escalation in salary	5.00%		5.00%		
c) Expected rate of Return on Plan Assets	7.50%		7.25%		
d) Expected Average remaining working lives of employees in number of years	16.8 Years		15.8 Years		
<b>Changes in the Present Value of Obligation</b>		<b>Gratuity (Funded)</b>	<b>Leave Encashment</b>	<b>Gratuity (Funded)</b>	<b>Leave Encashment</b>
		31.03.2023	31.03.2023	31.03.2022	31.03.2022
		Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
Present value of Obligation as at 1 <sup>st</sup> April, 2022		65.89	9.88	210.68	55.33
Interest Cost		4.78	0.72	15.27	4.01
Past Service Cost		-	-	-	-
Current Service Cost		4.95	1.66	4.48	1.63
Benefits Paid		(11.68)	(2.72)	(143.77)	(49.92)
Benefits Received		7.66	-	-	-
Actuarial Loss/(Gain)		(13.00)	(0.47)	(20.78)	(1.18)

Present value of Obligation as at 31 <sup>st</sup> March , 2023	58.60	9.06	65.89	9.88
<b>Changes in the Fair Value of Plan Assets</b>				
Fair Value of Plant Assets as at 1 <sup>st</sup> April, 2022	11.91	-	33.55	-
Expected Return on Plan Assets	0.89	-	2.43	-
Actuarial Loss/(Gain)	(0.56)	-	(1.29)	-
Employers' Contribution	2.10	-	12.00	-
Benefits Paid	(11.68)	-	(34.78)	-
Fair Value of Plan Assets as at 31 <sup>st</sup> March, 2023	2.66	-	11.91	-
<b>Percentage of each Category of Plan Assets to total Fair Value of Plan Assets as at 31st March, 2023</b>				
Insurance Policies	2.66	-	11.91	-
<b>Reconciliation of Present Value of Define Benefit Obligation and the fair value of Assets</b>				
Present value of total Obligation as at 31 <sup>st</sup> March, 2023	58.60	9.06	65.89	9.88
Fair Value of Funded Plan Assets as at 31 <sup>st</sup> March, 2023	2.66	-	11.91	-
Present value of Unfunded Obligation as at 31 <sup>st</sup> March, 2023	55.94	9.06	53.98	9.88
Unrecognized past service cost	-	-	-	-
Unrecognized actuarial (Gain)/Losses	-	-	-	-
Unfunded Net Liability recognized in the Balance Sheet	55.94	9.06	53.98	9.88
<b>Expenses recognized in the Profit &amp; Loss Account</b>				
Current Service Cost	4.95	1.66	4.48	1.63
Past service Cost	-	-	-	-
Interest Cost	4.78	0.72	15.27	4.01
Expected Return on Plan Assets	(0.89)	-	(2.43)	-
Total Expenses recognized in profit and loss a/c	8.83	2.37	17.32	5.65
<b>Other comprehensive (income) / expenses (Remeasurement)</b>				
Cumulative unrecognized actuarial (gain)/loss as on 1 <sup>st</sup> April 2022	(43.83)	(11.24)	(24.34)	(10.06)
Actuarial (gain)/loss - obligation	(13.00)	(0.47)	(20.78)	(1.18)
Actuarial (gain)/loss - plan assets	0.56	-	1.29	-
Total actuarial (Gain)/Loss	(12.43)	(0.47)	(19.49)	(1.18)
Cumulative total actuarial (gain)/loss as on 31 <sup>st</sup> March 2023	(56.27)	(11.71)	(43.83)	(11.24)



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

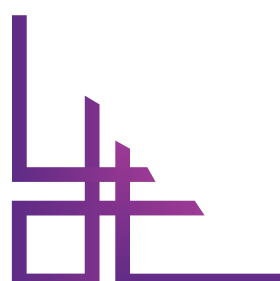
Particulars	March 31, 2023 Rs. in lakhs	March 31, 2022 Rs. in lakhs
a. The principal amount and the interest due thereupon remaining unpaid to any supplier as		
- Principal amount due to micro and small enterprises	-	-
- Interest due on above	-	-
b. The amount of interest paid by the buyer in terms of section 16 of the Micro and Small Enterprise Development Act, 2006, alongwith the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro and Small Enterprise Development Act, 2006 by the company in term of Section 16 of Micro,Small	-	-
d. The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of Micro and Small Enterprises Development Act, 2006	-	-

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

**45** 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

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

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



#### 48 Other statutory information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Company does not have any transactions with companies struck off.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (viii) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- (ix) The company do not have any working capital/term loan from Banks or any other financial institutions during the year.

#### 49 Ratio analysis

Particulars	Numerator	Denominator	31st March, 2023	31st March, 2022	% of Variance	Reason for variance
a) Current Ratio	Current Assets	Current Liabilities	6.70	5.64	18.79%	
b) Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.01	0.01	0.00%	
c) Debt Service Coverage Ratio	Earning available for Debt Service	Debt Service	(30.96)	80.15	-138.63%	(a)
d) Return on Equity (ROE)	Net Profit After Taxes	Average Shareholder's Equity	-19.00%	62.00%	-130.65%	(a)
e) Inventory Turnover Ratio	Cost of Goods Sold or Sales	Average Inventory	5.08	1.24	309.68%	(b)
f) Trade Receivable Turnover Ratio	Net Credit Sales	Average Accounts Receivable	8.00	0.97	724.74%	(c)
g) Trade Payable Turnover Ratio	Other expenses	Average Accounts Payable	2.65	0.61	334.43%	(d)
h) Net Capital Turnover Ratio	Net Average Sales	Average Working Capital	2.07	5.31	-61.02%	(e)

i) Net Profit Ratio	Net Profit after Tax	Net Sales	-48.00%	156.00%	-130.77%	(f)
j) Return on Capital Employed	Earning before Interest and Tax	Capital Employed	-20.00%	59.00%	-133.90%	(f)

Explanations given where the change in the ratio is more than 25% as compared to the preceding year.

Note :

- Decreased due to operating loss.
- Due to increase in sales.
- Due to better collection of receivables.
- Due to better management of trade payables.
- Due to sale of B2B Business in last year.
- Due to profit on slump sale of B2B Business in last year and operating loss in the current year.

50 Previous Year figures have been regrouped/reclassified, wherever considered necessary to conform to current year's classification.

**For Nikhil Goel & Associates**  
**CHARTERED ACCOUNTANT**  
(FRN No.020934C)

**CA NIKHIL GOEL**  
Proprietor  
Membership No. 537710  
**Place: New Delhi**  
**Dated: 30th May, 2023**

**On Behalf of the Board**

**Udit Seth**  
**Chairman & Managing Director**  
**DIN-00005403**

**Sanjeev Rikhi**  
**Chief Financial Officer**

**Varun Seth**  
**Whole Time Director**  
**DIN-00017552**

**Aman Thakran**  
**Company Secretary**  
**M.No.66476**

# FEATURES OF PEARLPET

Non-toxic, Food Grade and Re-usable.

Unbreakable, Strong and Light-weight.

Our manufacturing process integrates the finest quality certified raw materials, with state-of-the-art equipment and stringent quality control procedures at every station on the line.

PearlPET products & raw material do not use Bisphenol A (BPA) or other harmful plasticizers/chemicals.

All of our products have good barrier properties that protect and preserve the food content.

Good strength, premium quality, Air tight.

All PearlPET products are 100% recyclable and environment friendly.

PearlPET uses virgin PET, PP or LDPE materials which are approved by USFDA, EU Directive 2002/72/EC, BIS IS:12252-1987 and other regulating bodies for Food, Beverage and Water storage.



## Pearl Polymers Ltd.

A97/2, Okhla Industrial Area, Phase 2, New Delhi - 110 020 | P: +91 11 4738 5300 | E: [pearl@pearlpet.net](mailto:pearl@pearlpet.net)

for more visit us @: [www.pearlpet.net](http://www.pearlpet.net)

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PearlPET

