

**J. C. BHALLA & CO.**  
CHARTERED ACCOUNTANTS

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To  
The Board of Directors  
Pearl Polymers Limited  
NEW DELHI.

1. We have reviewed the accompanying statement of unaudited financial results of Pearl Polymers Limited for nine months ended December 31, 2010 (Column No. 3 & 5) except for the disclosures regarding "Public Shareholding" and "Promoter and Promoter Group Shareholding" which have been traced from disclosures made by the management and have not been audited by us. The reports of the Branch Auditors have been forwarded to us and have been considered in preparing our report. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, *Engagements to Review Financial Statements* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
- 3.(a) Provision of employee benefits on account of gratuity and compensated expenses has been made on an estimated basis. As informed to us by the management, the actual liability in accordance with Accounting Standard (AS)-15 Employee benefits will be determined at the year end.
- (b) Quantum of Deferred Tax charge to be provided as required by Accounting Standard (AS)-22-Accounting for taxes on Income has neither been quantified nor provided for.
- (d) Balances of parties included under the heads Sundry Debtors, Loans & Advances and Sundry Creditors are subject to confirmation and reconciliation.
4. Based on our review conducted as above, nothing has come to our attention other than our observations in para 3 above, that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the applicable accounting standards and other recognized

accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For J.C. Bhalla & Co.  
Chartered Accountants  
(Firm Regn. No.001111N)

  
(Sudhir Mallick)  
Partner

Membership No.80051

Place : New Delhi

Date : 16<sup>th</sup> Feb 2011

