



PEARL ENGINEERING POLYMERS LIMITED

26TH

ANNUAL REPORT

2019-2020

PEARL ENGINEERING POLYMERS LIMITED
CIN: U25209PN1992PLC012701

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Harish Seth	Chairman & Managing Director
Mr. Ramesh Mehra	Non-Executive Independent Director
Ms. Anupama Halder	Non-Executive Independent Director
Mr. Ashok Kumar Aggarwal	Chief Financial Officer

REGISTERED OFFICE

D-17, M.I.D.C Industrial Area, Kurkumbh, Tal: Daund
District: Pune, Maharashtra- 413802
Phone No.: 011-23442124
Email Id: pearl.secretarial@pearlmail.com
Website: www.peplindia.com

REGISTRAR & SHARE TRANSFER AGENT

Mas Services Limited
T-34, 2nd Floor, Okhla Industrial Area,
Phase-II, New Delhi-110020
Phone No: 011-26387281-83
Email Id: info@masserv.com

AUDITORS

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

26TH
AGM

Date: 31.12.2020

Day: Thursday

Time: 05:00 P.M.

PEARL ENGINEERING POLYMERS LIMITED

[Annual Report 2019-20](#)

NOTICE

NOTICE is hereby given that the 26th (Twenty Sixth) Annual General Meeting of Pearl Engineering Polymers Limited will be held on **Thursday, the 31st Day of December, 2020 at 05:00 P.M.** through Video Conferencing (VC) or Other Audio Visual Means (OAVM) to transact the following business:-

Ordinary Business

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on March 31, 2020 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Harish Seth (DIN: 00002948), who retires by rotation and, being eligible, offers himself for re-appointment.

Place: New Delhi

Date: 22nd September, 2020

Registered Office:

D-17, M.I.D.C. Industrial Area
Kurkumbh, Taluk Daund, Dist.
Pune-413 802, Maharashtra

By order of the Board

Sd/-

Harish Seth

Chairman and Managing Director

DIN: 00002948

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

NOTES:

1. In terms of Section 152 of the Companies Act, 2013, Mr. Harish Seth (DIN: 00002948) Director, is liable to retire by rotation at the ensuing AGM and being eligible, offer himself for re-appointment. Brief profile, information and relevant details, in respect of Director seeking appointment/reappointment at this AGM is annexed hereto.
2. All documents referred to in the notice will be available for inspection in electronic mode on the request of the members at pearl.secretarial@pearlmail.com during normal business hours on all working days (except Saturdays and Sundays) upto the date of AGM.
3. All correspondence relating to change of address, transfer/ transmission of shares, issue of duplicate share certificates, consolidation of folios, bank mandates and all other matters relating to the shareholding in the Company may be made to MAS Services Ltd., the registrar and share transfer agent ("RTA"). The Members holding shares in dematerialized form may send such communication to their respective Depository Participants ("DP's").
4. The Government & the Securities Market Regulator mandated the dematerialization of shares of all the public companies for effecting transfer of shares. No transfer can be affected of physical shares. So, in view of this, you are hereby requested to apply for dematerialization of the shares.
5. The Register of Members and Share Transfer Books of the Company will remain closed from **Friday, 25th December, 2020 to Thursday, 31st December, 2020 (both days inclusive)**.
6. The Members whose names appear on the Company's Register of Members as on **Thursday, December 24, 2020** ("cut-off date") will be eligible to attend and vote at the AGM.
7. Members can avail the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail this facility may send their nomination in the prescribed Form no. SH-13 duly filled in to the Company / RTA / DP's.
8. The requirement to place the matter relating to appointment of auditors for ratification by members at every Annual General meeting is done away by the Ministry of Corporate Affairs (MCA) vide notification dated 07th May 2018. Accordingly, no resolution is proposed for ratification of appointment of auditors, who were appointed in the Annual General Meeting held on 30th September, 2019.
9. Members holding shares in more than one folio in identical order of names are requested to write to Registrar and Share Transfer Agent enclosing their share certificates to enable them to consolidate the holdings in one folio to facilitate better service.
10. Members desiring any information/clarification on the Accounts are requested to write to the Company in advance at least seven (7) days before the meeting to keep the information ready at the time of Annual General Meeting.
11. As an eco-friendly measure intending to benefit the society at large, we request you to be part of the e-initiative and register your e-mail address to receive all communication and documents including Annual Reports from time to time in electronic form to the e-mail ID provided by you. Members holding shares in dematerialised form may send such communication to their respective DP's and those holding shares in physical form may send such communication to the Company/ RTA. Members who still hold share certificates in physical form are advised to dematerialise their shareholding to avail the benefits of dematerialisation, which include easy liquidity.
12. Pursuant to Sections 101 and 136 of the Companies Act, 2013 read with relevant Rules framed thereunder, the Annual Report for financial year 2019-2020 and the Notice of the AGM, inter-alia indicating the process and manner of remote e-voting and video conferencing (VC) or other audio visual means (OAVM) are being sent by e-mail to those Members who have registered their e-mail ID either with the Company/RTA or with the DP's.
13. **METING THROUGH VIDEO CONFERENCE OR OTHER AUDIO-VISUAL MEANS**
 - I. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, physical attendance of the Members to the Annual General Meeting (AGM) venue is not required and the AGM be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

ensuing AGM through VC/OAVM.

- II. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
- III. The members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include Large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- IV. The attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- V. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- VI. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.peplindia.com. The AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com.
- VII. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
- VIII. **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE ANNUAL GENERAL MEETING (AGM) THROUGH VC/OAVM ARE AS UNDER:**
 - (a) Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
 - (b) Members are encouraged to join the AGM through laptops/ IPads for better experience.
 - (c) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 - (d) 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.
 - (e) Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP Id and Client Id / Folio No., PAN, mobile number at pearl.secretarial@pearlmail.com on or before **Thursday, 24th December, 2020**. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. Speakers are requested to submit their questions at the time of registration, to enable the Company to respond appropriately.
 - (f) The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the AGM.
 - (g) Shareholders who will participate in the AGM through VC/OAVM can also pose question/feedback through question box option. Such questions by the Members shall be taken up during the meeting or replied within 7 days from AGM date by the Company suitably.

14. VOTING THROUGH ELECTRONIC MEANS

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Secretarial Standard, the Company is pleased to provide its Members facility to exercise their right to vote on resolutions proposed to be considered at the 26th AGM by electronic means which includes “remote e-voting”, provided by Central Depository Services (India) Limited (“CDSL”). Members of the Company holding shares in physical form or in dematerialised form may exercise their right to vote by electronic means in respect of the resolutions contained in the Notice of the AGM. The remote e-voting facility is available at the link www.evotingindia.com.

- II. The remote e-voting facility will be available during the following voting period:

Commencement of remote e-voting	Monday, December 28, 2020 at 09:00 A.M.
End of remote e-voting	Wednesday, December 30, 2020 at 05:00 P.M.

The cut-off date (i.e. the record date) for the purpose of remote e-voting is **Thursday, December 24, 2020** (end of day). The Members, whose name appear in the Register of Members, holding shares in physical or in dematerialised form, as on the cut-off date are entitled to cast their votes on the resolutions set forth in this Notice.

III. Procedure for Remote E-voting:

The details and instructions for remote e-voting form an integral part of the Notice convening the 26th AGM to be held on December 31, 2020. The members desirous to vote through remote e-voting are requested to refer to the detailed procedure given below:

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER

- i. The voting period begins on **Monday, December 28, 2020 at 09:00 A.M.** and ends on **Wednesday, December 30, 2020 at 05:00 P.M.** During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **Thursday, December 24, 2020** (end of day) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - iii. The shareholders should log on to the e-voting website www.evotingindia.com.
 - iv. Click on “Shareholders” module.
 - v. Now enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- OR
- Alternatively, if you are registered for CDSL’s **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL’s **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.
- vi. Next enter the Image Verification as displayed and Click on Login.
 - vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - viii. If you are a first time user follow the steps given below:

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

	For Shareholders holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none">If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- ix. After entering these details appropriately, click on "SUBMIT" tab.
- x. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xi. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN for the relevant Pearl Engineering Polymers Limited on which you choose to vote.
- xiii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xviii. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xix. Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- send a request to Registrar and Transfer Agent of the Company (RTA) Mas

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

Services Limited at info@masserv.com providing Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) for registering email address.

2. Please sent your Bank Details with original cancelled cheque to our RTA (i.e. Mas Services Limited at T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi-110020 along with letter mentioning folio no. (If not registered already)

For any query related to this, Members may contact the RTA - (i.e. Mas Services Limited) at 011-26 38 72 81/82/83.

3. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhaar Card) to their respective **Depository Participant/Company/RTA email id.**

IV. General guidelines for Shareholders for e-Voting:

- (a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- (b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- (c) After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- (d) The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- (e) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (f) Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; pearlsecretarial@pearlmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- (g) During the remote e-voting period, members of the Company, holding shares either in physical or dematerialized form as on the cut-off date i.e. **Thursday, December 24, 2020**, (end of day) may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (h) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- (i) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. **Thursday, December 24, 2020** (end of day).
- (j) Any person, who acquires shares and becomes member of the Company after dispatch of the notice and holding shares as on the cut-off date, i.e. **Thursday, December 24, 2020** (end of day), may obtain the login ID and password by sending a request to CDSL at helpdesk.evoting@cdslindia.com or to the Company's Registrar - Mas Services Limited at info@masserv.com.
- (k) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (l) Your login id and password can be used by you exclusively for remote e-voting on the resolutions placed by the companies in which you are the shareholder. The EVSN Number of our company as generated at CDSL e-voting site is 201207052.
- (m) If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).
- (n) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex,

PEARL ENGINEERING POLYMERS LIMITED

[Annual Report 2019-20](#)

Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

v. Other instructions:

- (a) The Company has appointed Mr. Abhishek Gupta, Practicing Company Secretary (Fellow Membership No. 9857 & C.P. No. 12262) as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 - (b) The Scrutinizer shall immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting, in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of the conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Managing Director of the Company or any person authorized by him in writing and the Results shall be declared by the Managing Director or any person authorized by him thereafter.
 - (c) The result declared along with the report of the Scrutinizer shall be placed on the website of the Company www.peplindia.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing.
15. The Company's shares are admitted in both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for custody and dematerialization of securities. Members can avail of the depository facilities by approaching any of the Depository Participants (DPs) of NSDL or CDSL or by approaching the RTA of the Company.

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

Brief Profile of the Directors retiring by rotation/ seeking re-appointment

S. No	Particulars	Details
1.	Name of the Director	Mr. Harish Seth
2.	DIN	00002948
3.	Date of Birth	October 27, 1945
4.	Brief profile/ Nature of Expertise	Mr. Harish Seth is a chemical Engineer from IIT (Madras) and M. Tech from U.S.A. He has a rich experience of 45 years in the field of polymers. In addition he is one of the promoters of the Company. Having specialization in the field ideally suited to the nature of the Industry, he has enormously contributed towards best interests of the Company.
6.	Names of listed entities in which the person also holds the directorship and the membership of Committees of the board	NIL
7.	Number of Equity Shares held in the Company	4057032

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

DIRECTORS' REPORT

To
The Members,
Pearl Engineering Polymers Limited
D-17, M.I.D.C. Industrial Area Kurkumbh,
Taluk Daund, Dist. Pune-413 802, Maharashtra

Your Directors are pleased to present the 26th Annual Report of the Company along with the Audited Financial Statements for the Financial Year ended March 31, 2020.

FINANCIAL HIGHLIGHTS

The financial performance of the Company for the financial year ended March 31, 2020 is tabulated below:

Particulars	(Amount in Rupees)	
	For Financial Year 2019-20	For Financial Year 2018-19
Revenue from Operation	-	-
Other Income	8,458	69,822,518
Total Revenue	8,458	69,822,518
Total Expenditure	92,80,789	9,954,987
Profit/(Loss) before Exceptional Items and Tax	(92,72,331)	59,867,531
Exceptional Items (Income/(Exps))	-	-
Profit/(Loss) before Tax	(92,72,331)	59,867,531
Tax expense	-	-
Net Profit/ (Loss) for the period	(92,72,331)	59,867,531

In view of abnormal market conditions & volatility in addition to financial liquidity constraints, the Company had discontinued its manufacturing activity in February 2013.

DIVIDEND

The Company has not recommended any amount for payment as dividend.

MATERIAL CHANGES AND COMMITMENTS

Since, the company had discontinued its manufacturing activity, there have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company and the date of this Report.

SHARE CAPITAL

The Company's Capital Structure remains unchanged during the financial year 2019-20.

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

Since the Company had discontinued its manufacturing activity in February 2013 due to financial problems, there was no significant development during the year under review affecting the affairs of the Company.

SUBSIDIARY COMPANIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As on 31st March, 2020, the Company does not have any subsidiary, associate or any Joint Venture company. Accordingly, the disclosure required under section 129 of the Companies Act, 2013 read with rules made there under in Form AOC-1 is not applicable to your Company.

RESERVES

In view of the loss, the Board does not propose any amount to carry to the reserves during the year.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

a) Director Liable to Retire by Rotation

In terms of the provisions of Section 152(6) of the Act, Mr. Harish Seth (DIN 00002948), is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. The Board recommends his re-appointment.

b) Changes in Key Managerial Personnel

During the year under review, Mr. Vineet Gupta has resigned from the post of Company Secretary of the Company w.e.f. 31st May, 2019.

c) Changes in Independent Director

During the year, Mr. Ramesh Mehra has been re-appointed as Non Executive & Independent Director of the Company for a further period of 5 (five) consecutive years with effect from September 30, 2019 up to September 29, 2024 at the Annual General Meeting held on 30th September, 2019 by the members of the Company.

d) Declaration by Independent Directors

All the Independent Directors have submitted their disclosures to the Board as per Section 149(7) that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 and meets the criteria of Independence so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules. In the opinion of the Board of the Company, Independent Directors fulfill the conditions specified in the Act, Rules made thereunder and listing regulations and are independent of the management. However, the online proficiency self assessment test is yet to be given by the Independent Directors.

PERFORMANCE EVALUATION OF BOARD, COMMITTEES AND DIRECTORS

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and Individual Directors pursuant to the provisions of the Companies Act, 2013.

The evaluation framework for assessing the performance of Directors including independent directors comprised of criteria like contribution in Board process, time devoted for the Company, attendance of Board Meetings and Committee Meetings and commitment to shareholder and other stakeholder interests. Using appropriate criteria, the performance of the various Committees was separately evaluated by the Board.

A meeting of the Independent Directors was also held, to review the performance of the Non-Independent Director, 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/selection of Directors, Key Managerial Personnel & other employees and their remuneration including criteria for determining qualifications, positive attributes, independence of a director etc.

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

Your Company affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees. The details of such policy can be viewed on the Company's website www.peplindia.com.

RISK MANAGEMENT POLICY

Your Company has developed and implemented Risk Management Policy which provides for the identification of elements of Risk, if any, which may threaten the existence of the Company and various other things. The details of such policy can be viewed on the Company's website www.peplindia.com.

AUDITORS & AUDITORS' REPORT

I. Statutory Auditors

Pursuant to the provisions of section 139 of the Act and the rules framed thereafter, M/s. Sehgal Mehta & Co., Chartered Accountants, were appointed for second term of 5 consecutive years as statutory auditors of the Company from the conclusion of the 25th annual general meeting (AGM) of the Company held on September 30, 2019 till the conclusion of the 30th AGM to be held in the year 2024 and the requirement to place the matter relating to appointment of auditors for ratification by members at every Annual General meeting is done away by the Ministry of Corporate Affairs (MCA) vide notification dated 07th May 2018. Accordingly, no resolution is proposed for ratification of appointment of auditors, who were appointed in the Annual General Meeting held on 30th September, 2019.

CLARIFICATION TO REMARKS CONTAINED IN THE STATUTORY AUDITORS REPORT

Clause 2 (d) & (e) of the Statutory Auditors Report: As per the legal opinion given by the legal advisors of the Company, the Foreign Financial Institution (AFIC) or its Assignee, cannot enforce any outstanding against the Company in any court of law despite existence of debt, as the same has become a time barred debt under the provisions of the Limitations Act, 1963, based on the said opinion of the advisors.

Clause 2 (d) of the Statutory Auditors Report: No provision has been made for interest, in respect of the foreign currency loan of Rs. 161924 thousands; and

Clause 2 (e) of the Statutory Auditors Report: The outstanding by way of secured and unsecured loan and interest aggregating to Rs.161924 thousands thereon (shown as an "Erstwhile loan barred by limitation" in the Balance Sheet of the Company for the financial year ended March 31, 2018) have not been reinstated, as required under Accounting Standard (AS11) on the effects of changes in foreign exchange rates notified in the Companies (Accounting Standards) Rule 2006.

REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the statutory auditors to report to the Audit Committee and/or Board under section 143(12) of the Act and Rules framed thereunder.

II. Secretarial Auditor

As the provisions contained under the Companies Act, 2013 regarding appointment of Secretarial Auditor are not applicable to your Company, the company was not required to appoint secretarial auditor for the Financial Year 2019-20.

III. Compliance with the Institute of Company Secretaries of India ("ICSI") Secretarial Standards:

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

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

COMMITTEES OF THE BOARD

There are three committees constituted in accordance with the provisions of Companies Act, 2013 to perform the roles and duties required to be performed under the Companies Act, 2013:

- a. Audit Committee
- b. Stakeholders Relationship Committee
- c. Nomination & Remuneration Committee

COMPOSITION OF COMMITTEES AND ATTENDANCE OF THE MEMBERS

The Composition of Audit Committee is given below:

Name of the Members	Chairman/Member	Category of Director	No. of Meetings	Attendance
Ms. Anupama Halder	Chairman	Non- Executive & Independent Director	2	2
Mr. Ramesh Mehra	Member	Non- Executive & Independent Director	2	2
Mr. Harish Seth	Member	Chairman & Managing Director	2	2

The Composition of Nomination & Remuneration Committee is given below:

Name of the Members	Chairman/Member	Category of Director	No. of Meetings	Attendance
Ms. Anupama Halder	Chairman	Non- Executive & Independent Director	1	1
Mr. Ramesh Mehra	Member	Non- Executive & Independent Director	1	1
Mr. Harish Seth	Member	Chairman & Managing Director	1	1

The Composition of Stakeholder Relationship Committee is given below:

Name of the Members	Chairman/Member	Category of Director	No. of Meetings	Attendance
Ms. Anupama Halder	Chairman	Non- Executive & Independent Director	4	4
Mr. Ramesh Mehra	Member	Non- Executive & Independent Director	4	3
Mr. Harish Seth	Member	Chairman & Managing Director	4	3

MEETINGS OF THE BOARD

The Board met Four (04) times during the financial year 2019-2020. The necessary quorum was present for all the meetings. The maximum interval between any two meetings did not exceed 120 days.

Date of Board Meeting	Harish Seth	Ramesh Mehra	Anupama Halder
27.05.2019	Present	Present	Present

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

29.06.2019	Present	Present	Present
10.10.2019	Present	Present	Present
03.01.2020	Present	LOA	Present

COMPOSITION OF BOARD

The Board comprises of one Executive Director designated as Chairman & Managing Director and rest are non executive Independent Directors.

Name of the Director	DIN	Designation	Whether attended AGM held on 30.09.2019
Mr. Harish Seth	00002948	Chairman & Managing Director	Yes
Mr. Ramesh Mehra	00003334	Non Executive Independent Director	Yes
Ms. Anupama Halder	07170733	Non Executive Independent Director	Yes

ANNUAL GENERAL MEETING

The 25th Annual General Meeting of the Company was held on September 30, 2019.

INDEPENDENT DIRECTORS MEETINGS

In line with the Companies Act, 2013 separate Meeting of Independent Directors was held during the year, without the presence of Non independent Directors and the Management of the Company.

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.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has not made any loan, given any guarantee or provided any security to any person in violation of provisions of Section 186 of the Companies Act, 2013.

However, the details of Investments made and Loan given by the Company in compliance with the provisions of Companies Act, 2013 are contained in Note No. 05 and 06 of the Notes to the Financial Statements.

RELATED PARTY TRANSACTIONS:

During the year your company has not entered into related party transactions (RPTs) that would have attracted the provisions of section 188 of Companies Act, 2013 and rules made thereunder.

Accordingly, the disclosure required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable to your Company. Further, the details regarding the related party transactions other than those covered under section 188 of the Companies Act are contained in note no. 31 of the Notes to Financial Statements.

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

PUBLIC DEPOSITS:

During the period under review, the Company has not accepted any deposits in contravention of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has an Internal Control Framework which is commensurate with the size, scale and complexity of its operations. This framework ensures adequate safeguards and processes to address the evolving business requirements.

EXTRACT OF ANNUAL RETURN:

The extract of Annual Return as provided under sub-section (3) of section 92 of the Companies Act, 2013, in the prescribed Form MGT-9 is annexed to this Report as **Annexure I** and also placed on the Company's website at www.peplindia.com.

CORPORATE SOCIAL RESPONSIBILITY

During the year, your Company was not required to constitute a Corporate Social Responsibility Committee as it did not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it was not required to formulate policy on corporate social responsibility.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The provisions related to Vigil Mechanism / Whistle Blower Policy is not applicable on the Company during the year.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) 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, 2020 and of the profit and loss of the Company for that period;
- c) 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;
- d) the directors have not been prepared the annual accounts on a going concern basis; and
- e) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

REGULATORY ORDERS

During the year, no regulatory order was passed against the Company.

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

Since your Company has ceased its operations, the requirements pertaining to disclosure of particulars relating to conservation of energy, research & development and technology absorption, as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts), Rules, 2014 is not applicable to the Company.

There were no foreign exchange earnings or outgo during the year.

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

PARTICULARS OF EMPLOYEES

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

MAINTENANCE OF COST RECORDS

As your Company does not fall within the ambit of sub-section (1) of section 148 of the Companies Act, 2013, the Company was not required to maintain the cost records.

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

Since the Company had discontinued its operations & business activities and there was no female employee in the employment during the year, your Company was not required to make a policy on prevention of Sexual Harassment and the provisions of are not applicable to the company

ACKNOWLEDGEMENTS

Your Directors take this opportunity to express their gratitude for the assistance and cooperation received from the shareholders, Banks and other authorities for their consistent support and cooperation to the Company during the year under review.

On Behalf of the Board of Directors

Sd/-

Harish Seth

Chairman & Managing Director

DIN: 00002948

Place: New Delhi

Date: September 22, 2020

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

ANNEXURE-I

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2020

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

I. REGISTRATION & OTHER DETAILS:

S No.	Particulars	Details
1.	CIN	U25209PN1992PLC012701
2.	Registration Date	14/07/1992
3.	Name of the Company	Pearl Engineering Polymers Limited
4.	Category/Sub-category of the Company	Company limited by shares/Non-govt. company
5.	Address of the Registered office & contact details	D-17, M.I.D.C Industrial Area, Kurkumbh, Taluk Daund, Distt. Pune-413802, Contact No. 011-23442124
6.	Whether Listed Company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent	MAS SERVICES LIMITED T-34, 2 nd Floor, Okhla Industrial Area, Phase-II, New Delhi -110020 Ph: 011-26387281/82/83, Fax: 011-26387384 Email: info@masserv.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company: Not Applicable

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: Not Applicable

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

a) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01.04.2019]				No. of Shares held at the end of the year [As on 31.03.2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	3628840	0	3628840	11.93	4381312	0	4381312	14.41	2.48
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	10870226	0	10870226	35.74	13213697	0	13213697	43.45	7.71
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	1872587	4356741	6229328	20.48	4387883	1867707	6255590	20.57	0.09
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2854252	24000	2878252	9.46	2840419	24000	2864419	9.41	(0.05)
c) Others (specify)									
Non Resident Indians/ Overseas Corporate Bodies	657299	1844000	2501299	8.23	658429	1844000	2502429	8.23	0.00
Foreign Nationals	0	0	0	0.00	0	0	0	0.00	0.00
Clearing Members	29749	0	29749	0.10	6611	0	6611	0.02	(0.08)
Trusts	0	0	0	0.00	100	0	100	0.00	0.00
Foreign Bodies – D R	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(2):-	9638593	6259581	15898174	52.28	9031684	3770547	12802231	42.10	(10.02)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	9638593	6274901	15913494	52.33	9031684	3785867	12817551	42.15	(10.02)
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	24137659	6274901	30412560	100.00	26626693	3785867	30412560	100.00	0.17

b) Shareholding of Promoters-

S. No	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2019)			Shareholding at the end of the year (As on 31.03.2020)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Mr. Chand Seth	169400	0.56	0.00	169400	0.56	0.00	0.00
2.	Mrs. Suneeta Seth	50120	0.16	0.00	50120	0.16	0.00	0.00
3.	Mr. Nakul Seth	80	0.00	0.00	80	0.00	0.00	0.00
4.	Mr. Udit Seth	41000	0.13	0.00	41000	0.13	0.00	0.00
5.	Mr. Mahesh K Seth	57560	0.19	0.00	57560	0.19	0.00	0.00
6.	Mr. Harish Seth	1713560	5.63	0.00	4057032	13.34	0.00	7.71
7.	Mr. Krishen Seth	1591000	5.23	0.00	0.00	0.00	0.00	(5.23)
8.	Mrs. Nidhi Choudhari	80	0.00	0.00	80	0.00	0.00	0.00
9.	Mr. Arjun Seth	80	0.00	0.00	80	0.00	0.00	0.00

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

10.	Mr. Varun Seth	80	0.00	0.00	80	0.00	0.00	0.00
11.	Mrs. Madhu Seth	200	0.00	0.00	200	0.00	0.00	0.00
12.	Mr. Amit Seth	5680	0.02	0.00	5680	0.02	0.00	0.00
13.	Pacific Pearl Finance & Leasing Ltd	2615906	8.60	0.00	2615906	8.60	0.00	0.00
14.	Pearl Polymers Ltd	5492960	18.06	0.00	5492960	18.06	0.00	0.00
15.	Pearl Telefonics Ltd	2509160	8.25	0.00	2509160	8.25	0.00	0.00
16.	Beta Finance And Trading Pvt. Ltd	17720	0.06	0.00	17720	0.06	0.00	0.00
17.	Gama Investments Pvt. Ltd	680	0.00	0.00	2344151	7.71	0.00	7.71
18.	Theta Investment Pvt. Ltd	53800	0.18	0.00	53800	0.18	0.00	0.00
19.	Pearl International Tours & Travels Ltd	180000	0.59	0.00	180000	0.59	0.00	0.00
TOTAL		14499066	47.67	0.00	17595009	57.85	0.00	10.19

c) Change in Promoter's Shareholding

S. No	Name of the shareholder	Shareholding		Cumulative Shareholding during the year (from 01.04.2019 to 31.03.2020)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Chand Seth				
	At the beginning of the year	169400	0.56	169400	0.56
	Date wise Increase / Decrease in Promoters Shareholding during the year	-	-	169400	0.56
	At the End of the year			169400	0.56
2.	Mrs. Suneeta Seth				
	At the beginning of the year	50120	0.16	50120	0.16
	Date wise Increase / Decrease in Promoters Shareholding during the year	-	-	50120	0.16
	At the End of the year			50120	0.16
3.	Mr. Nakul Seth				
	At the beginning of the year	80	0.00	80	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year	-	-	80	0.00
	At the End of the year			80	0.00
4.	Mr. Udit Seth				
	At the beginning of the year	41000	0.13	41000	0.13
	Date wise Increase / Decrease in Promoters Shareholding during the year	-	-	41000	0.13
	At the End of the year			41000	0.13
5.	Mr. Mahesh K Seth				
	At the beginning of the year	57560	0.19	57560	0.19
	Date wise Increase / Decrease in Promoters Shareholding during the year	-	-	57560	0.19
	At the End of the year			57560	0.19
6.	Mr. Harish Seth				
	At the beginning of the year	1713560	5.63	1713560	5.63

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

	Increase in Shareholding due to purchase of shares on 27.12.2019	-	-	2343472	7.71
	At the End of the year			4057032	13.34
7.	Mr. Krishen Seth				
	At the beginning of the year	1591000	5.23	1591000	5.23
	Decrease in shareholding due to sale of shares on 06.12.2019	-	-	1591000	5.23
	At the End of the year			0	0
8.	Mrs. Nidhi Choudhari				
	At the beginning of the year	80	0.00	80	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year	-	-	80	0.00
	At the End of the year			80	0.00
9.	Mr. Arjun Seth				
	At the beginning of the year	80	0.00	80	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year	-	-	80	0.00
	At the End of the year			80	0.00
10.	Mr. Varun Seth				
	At the beginning of the year	80	0.00	80	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year	-	-	80	0.00
	At the End of the year			80	0.00
11.	Mrs. Madhu Seth				
	At the beginning of the year	200	0.00	200	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year	-	-	200	0.00
	At the End of the year			200	0.00
12.	Mr. Amit Seth				
	At the beginning of the year	5680	0.02	5680	0.02
	Date wise Increase / Decrease in Promoters Shareholding during the year	-	-	5680	0.02
	At the End of the year			5680	0.02
13.	Pacific Pearl Finance & Leasing Ltd				
	At the beginning of the year	2615906	8.60	2615906	8.60
	Date wise Increase / Decrease in Promoters Shareholding during the year	-	-	2615906	8.60
	At the End of the year			2615906	8.60
14.	Pearl Polymers Limited				
	At the beginning of the year	5492960	18.06	5492960	18.06
	Date wise Increase / Decrease in Promoters Shareholding during the year	-	-	5492960	18.06
	At the End of the year			5492960	18.06
15.	Pearl Telefonics Limited				
	At the beginning of the year	2509160	8.25	2509160	8.25
	Date wise Increase / Decrease in Promoters Shareholding during	-	-	2509160	8.25

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

	the year				
	At the End of the year			2509160	8.25
16.	Beta Finance And Trading Private Limited				
	At the beginning of the year	17720	0.06	17720	0.06
	Date wise Increase / Decrease in Promoters Shareholding during the year	-	-	17720	0.06
	At the End of the year			17720	0.06
17.	Gama Investments Private Limited				
	At the beginning of the year	680	0.00	680	0.00
	Increase in Shareholding due to purchase of shares on 27.12.2019	-	-	2343471	7.71
	At the End of the year			2344151	7.71
18.	Theta Investment Private Limited				
	At the beginning of the year	53800	0.18	53800	0.18
	Date wise Increase / Decrease in Promoters Shareholding during the year	-	-	53800	0.18
	At the End of the year			53800	0.18
19.	Pearl International Tours & Travels Limited				
	At the beginning of the year	180000	0.59	180000	0.59
	Date wise Increase / Decrease in Promoters Shareholding during the year	-	-	180000	0.59
	At the End of the year			180000	0.59

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

S. no	Name of Shareholders	Shareholding		Cumulative Shareholding during the year (01.04.2019 to 31.03.2020)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
1.	Pearl Engineering Polymers Ltd.- (Exit Offer)-Operated by-MAS Services Ltd.				
	At the beginning of the year	3079383	10.11		
	Purchased on 21.06.2019	4000	0.01	3083383	0.01
	Purchased on 28.06.2019	120	0.00	3083503	0.00
	Purchased on 02.08.2019	2000	0.00	3085503	0.00
	Purchased on 23.09.2019	440	0.00	3085943	0.00
	Purchased on 22.11.2019	10000	0.03	3095943	0.03
	Purchased on 06.12.2019	1591000	5.23	4686943	5.23
	The exit offer of Shares acquired by Pearl Engineering Polymers Ltd operated by MAS Services Limited were closed on 11.12.2019 and the shares were later on acquired by Mr. Harish Seth and M/s. Gama Investments Private Limited, the members of promoter and promoter group in equal proportion.				
	At the End of the year	-	-	4686943	05.29
2.	Anand Fashions International LLC				
	At the beginning of the year	1600000	5.26	1600000	5.26
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

	At the End of the year			1600000	5.26
3.	Interstar Financial Services Limited				
	At the beginning of the year	802478	2.64	802478	2.64
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the End of the year			802478	2.64
4.	Dinesh Chandra Kothari				
	At the beginning of the year	515539	1.70	515539	1.70
	Decrease in Shareholding by sale of shares on 24.01.2020	-	-	200000	0.66
	Increase in Shareholding by purchase of shares on 31.01.2020	-	-	200000	0.66
	At the End of the year			515539	1.70
5.	Subramanian P				
	At the beginning of the year	339980	1.12	339980	1.12
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the End of the year			339980	1.12
6.	Ashok Sugla				
	At the beginning of the year	217826	0.72	217826	0.72
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the End of the year			217826	0.72
7.	Prem Trupti Builders and Developers Pvt. Ltd.				
	At the beginning of the year	186808	0.61	186808	0.61
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the End of the year			186808	0.61
8.	Saroj Devi Tekriwal				
	At the beginning of the year	150000	0.50	150000	0.50
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the End of the year			150000	0.50
9.	Bajrang Mangal				
	At the beginning of the year	132867	0.44	132867	0.44
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the End of the year			132867	0.44
10.	Narayan Padasery Menon				
	At the beginning of the year	126204	0.42	126204	0.42
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the End of the year			126204	0.42

e) Shareholding of Directors and Key Managerial Personnel:

S No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding		Cumulative Shareholding during the year (01.04.2019 to 31.03.2020)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

1.	Mr. Harish Seth				
	At the beginning of the year	1713560	5.63	1713560	5.63
	Increase in Shareholding by purchase of shares on 27.12.2019	-	-	2343472	7.71
	At the end of the year			4057032	13.34

Note:

1. Mr. Ramesh Mehra is joint holder with his wife who is holding 1760 nos. of shares in the company, which is within the limits as prescribed under the Companies Act, 2013.
2. Apart from above, none of the Directors and/or KMP holds any share in the Company.

B) INDEBTEDNESS

Indebtedness of the Company including interest Outstanding/Accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	20,00,000	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	20,00,000	-	-
Change in Indebtedness during the financial year				
Addition	-	-	-	-
-Reduction	-	19,40,918	-	19,40,918
Net Change	-	19,40,918	-	19,40,918
Indebtedness at the end of the financial year				
i) Principal Amount	-	59,082	-	59,082
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	59,082	-	59,082

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

- i. Remuneration to Managing Director, Whole-time Directors and/or Manager- NIL
- ii. Remuneration to other Directors- NIL

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

iii. Remuneration To Key Managerial Personnel other than MD/Manager/WTD-

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	Key Managerial Personnel
		Mr. Vineet Gupta (Company Secretary)	Mr. Ashok Kumar Aggarwal (CFO)
1.	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	80,000/-	1,82,500/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others,	-	-
5.	Others, please specify	-	-
	Total	80,000/-	1,82,500/-

Mr. Vineet Gupta has resigned from the post of Company Secretary of the Company w.e.f. 31.05.2019.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

On Behalf of the Board of Directors

Sd/-

Harish Seth

Chairman & Managing Director

DIN: 00002948

Place: New Delhi

Date: September 22, 2020

INDEPENDENT AUDITOR'S REPORT

To
The members of
M/s Pearl Engineering Polymers Limited.
D-17, MIDC Industrial Area, Kurkumbh, Taluk Daund
District-Pune, Maharashtra-413802

Opinion

We have audited the accompanying financial statements of M/s. Pearl Engineering Polymers Limited. ("the Company"), which comprise the Balance Sheet as at March 31, 2020, 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, 2020, 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 30 to the financial statements)

Key Audit Matter	How the matter was addressed in our audit
<p>Provisions and contingent liability disclosures may arise from direct and indirect tax proceedings, legal proceedings, including regulatory and other government/department proceedings, as well as investigations by authorities and commercial claims.</p> <p>At 31 March 2020, the Company's contingent liabilities are disclosed in note 30 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</p>	<p>Our audit procedures on contingent liabilities and provisions included the following:</p> <ul style="list-style-type: none"> • Obtained the outstanding litigations list as compared to the previous year. Enquired and obtained explanations for movement in litigations during the year. • 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. • Examined the Company's legal expenses and read the minutes of Board meetings, to evaluate the completeness of list of the open litigations. • Read the latest correspondences between the Company and tax/legal authorities and reviewed legal opinions obtained by

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

<p>present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle obligation. A contingent liability is recognised if there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.</p> <p>These estimates could change substantially over time as new facts emerge and as each legal case progresses.</p> <p>Given the inherent complexity and magnitude of potential exposures and the judgment necessary to estimate the amount of provisions required or to determine required disclosures, this is a key audit matter.</p>	<p>management where applicable, for significant matters and considered the same in evaluating the appropriateness of the Company's provisions or disclosures on such matters.</p> <ul style="list-style-type: none">• 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.• For non-tax matters, we evaluated Management's decisions and rationale for provisions established or disclosures made for contingent liabilities.
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Information Other than the Financial Statements and Auditor's Report Thereon

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

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

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

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

Management's Responsibility for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and

(ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

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

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

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. **Provision has not been made for interest after September 3rd, 2009, in respect of foreign currency loan of Rs. 161924 thousand, on the basis of legal advice obtained by the company that the loan has become barred by limitation. In the absence of the evidence as to confirmation and /or settlement of the liability, we are unable to form an opinion on the claim of the company, that the above loan of Rs. 161924 thousand from a foreign financial institution cannot be enforced. Further the effect on Profit/Loss of the Company cannot be quantified in view of the uncertainties about repayment obligation of the Company.**
- e. **Foreign Currency Loan and Interest Liability provided in the books have not been reinstated as at March 31st, 2013 as provided by Accounting Standards (AS) - 11, "The effects on the Changes in Foreign Exchange Rates", on the basis of legal advice obtained by the company that the loan has become barred by limitation. In the absence of the evidence as to confirmation and/or settlement of the liability, we are unable to form an opinion on the claim of the company that the loan cannot be enforced. Further, the effect on Profit/Loss of the Company cannot be quantified in view of the uncertainties about repayment obligation of the Company.**
- f. 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.
- g. On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- h. The company has discontinued its manufacturing activity and has disposed off Plant Machinery, Spares, Factory Building, Office Equipment and Furniture & Fixture. The Company is exploring the option for sale and disposal of its remaining movable and immovable assets. Immovable assets. The accumulated losses of the Company are more than 50% of its net worth. In view of abnormal market conditions & price volatility, in addition to financial liquidity constraints, the Company had discontinued its manufacturing activity since February 2013. Due to this, the company is not viewed as a going concern.
- i. 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.
- j. 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.30 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.

Place: New Delhi
Date: 20.09.2020

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

(CA Naresh Khanna)
Partner
M. No. 081482

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 Engineering 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 Engineering Polymers Limited ("the Company")** as of 31st March 2020 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

PEARL ENGINEERING POLYMERS LIMITED

[Annual Report 2019-20](#)

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 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: New Delhi

Date: 20.09.2020

UDIN:- 20081482AAAABO1718

For Sehgal Mehta & Co.

Chartered Accountants

FRN-003330N

(CA Naresh Khanna)

Partner

M. No. 081482

Annexure - B to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2020, we report that:

i) (a) The Company has dismantled the main plant and has disposed off the entire Plant and Machinery (including stores and spares). The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained to us, all the assets have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information explanations given to us no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company.

ii) There are no inventories in the company.

iii) As explained to us, the company had not granted any loans, secured or unsecured, to any companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.

iv) In our opinion and according to the information and explanation give to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 with respect to loan, investments, guarantee and security, as applicable.

v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits in contravention of Directives issued by Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under, where applicable. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.

vi) As explained to us, The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the activities such as engaged in the production of goods or providing services by the Company.

vii) (a) According to the records of the company the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, Cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, Service Tax, sales tax, custom duty, excise duty and Cess were in arrears, as at 31st March, 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, the dues of sales tax, income tax, excise duty and Cess that have not been deposited with appropriate authorities on account of any dispute and the forum where the disputes are pending are given below:-

Name of the Statute	Nature of the Dues	Amount ('In 'thousands)	Period to which the amount relates	Forum where the dispute is pending
The Central Excise Act, 1944	Custom Duty Demand on Technical Know- how Fee	36,812.00	1993-1994	CESTAT
The Central Excise Act, 1944	Custom Duty	3,103.00	1994-1995	CESTAT

viii) According to the information and explanations given to us, and the records of the companies examined by us, the

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

Company has not defaulted in repayment of loans or borrowings to a financial institution and banks.

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

Place: New Delhi
Date: 20.09.2020

UDIN:- 20081482AAAABO1718

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

**(CA Naresh Khanna)
Partner
M. No. 081482**

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

BALANCE SHEET AS AT 31ST MARCH 2020				
	<u>PARTICULARS</u>	Note	As at	As at
	-	No.	31st March 2020	31st March 2019
	-		(Rs.)	(Rs.)
	1	2	3	4
I	<u>ASSETS</u>			
1	<i>Non-current assets</i>			
(a)	Property, Plant & Equipment	2	41,86,389	48,54,824
(b)	Investment Property	3	1,19,24,619	1,19,24,619
(c)	Other Intangible Assets	4	-	-
(d)	Financial Assets			
	(i) Investments	5	2,50,00,000	2,50,00,000
	(ii) Loans	6	3,11,86,015	3,61,86,015
	(iii) Other Financial Assets	7	6,60,795	6,60,795
(e)	Other Non-Current Assets	8	5,52,146	5,52,146
	Sub total Non Current Assets		7,35,09,964	7,91,78,399
2	<i>Current assets</i>			
(a)	Financial Assets			
	(ii) Trade Receivables	9	-	-
	(iii) Cash and Cash Equivalents	10	68,50,073	39,69,297
(b)	Current Tax Assets (Net)	11	15,23,157	15,23,157
(c)	Other Current Assets	12	2,65,580	2,83,247
	Sub total Current Assets		86,38,810	57,75,701
	TOTAL ASSETS		8,21,48,774	8,49,54,100
II	<u>EQUITY AND LIABILITIES</u>			
1	<i>Equity</i>			
(a)	Equity Share Capital	13	30,41,25,600	30,41,25,600
(b)	Other Equity	14	(47,05,35,717)	(46,12,63,386)
	Sub Total Equity		(16,64,10,117)	(15,71,37,786)
2	ERSTWHILE LOAN BARRED BY LIMITATION	15	16,19,23,901	16,19,23,901
3	<i>Current liabilities</i>			
(a)	Financial Liability			
	(i) Borrowings	16	59,082	20,00,000
	(ii) Trade Payables	17	87,000	1,38,500
	(iii) Other Financial Liabilities	18	7,06,00,000	7,06,00,000
(b)	Other Current Liabilities	19	1,58,88,908	74,29,485
	Sub total Current Liability		8,66,34,990	8,01,67,985
	TOTAL EQUITY AND LIABILITY		8,21,48,774	8,49,54,100

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

Significant Accounting Policies

1

The accompanying notes are an integral part of the financial statements

As per our report of even date

2-34

For and on behalf of the board of directors

For Sehgal Mehta & Co.

Chartered Accountants

F.R.N: 003330N

Sd/-

HARISH SETH

Chairman & Managing Director

DIN No.- 00002948

Sd/-

RAMESH MEHRA

Director

DIN No.- 00003334

Sd/-

Naresh Khanna

Partner

M. No 081482

Place: New Delhi

Date: 22nd September 2020

UDIN:-20081482AAAABO1718

Sd/

Ashok Agarwal

Chief Finance Office (CFO)

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31st MARCH 2020

	<u>PARTICULARS</u>	Note No.	For the year ended 31st March 2020	For the year ended 31st March 2019
			(Rs.)	(Rs.)
	1	2	3	4
1	Revenue from Operations	20	-	-
2	Other Income	21	8,458	6,98,22,518
3	Total Income (1+2)		8,458	6,98,22,518
4	Expenses			
	(i) Cost of Materials Sold/Consumed	22	-	-
	(ii) Purchase of stock in trade	23	-	-
	(iii) Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	24	-	-
	(iv) Employees Benefits Expense	25	3,02,500	4,53,882
	(v) Finance Costs	26	32,897	6,570
	(vi) Depreciation and Amortization Expense	27	6,68,435	4,38,242
	(vii) Other Expenses	28	82,76,958	90,56,293
	Total Expenses (4)		92,80,789	99,54,987
5	Profit/(loss) before exceptional items and tax (3-4)		(92,72,331)	5,98,67,531
6	Exceptional Items			
7	Profit/(loss) before tax (5-6)		(92,72,331)	5,98,67,531
8	Tax Expenses:			
	(i) Current Tax		-	-
	(ii) Deferred Tax		-	-
9	Profit (Loss) for the period from continuing operations (7-8)		(92,72,331)	5,98,67,531
10	Profit/(loss) from discontinued operations		-	-
11	Tax expense of discontinued operations		-	-
12	Profit/(loss) from Discontinued operations (after tax) (10-11)		-	-
13	Profit/(loss) for the period (9+12)		(92,72,331)	5,98,67,531
14	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
15	Total Comprehensive Income for the period (13+14) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		(92,72,331)	5,98,67,531
16	Earnings per equity share (for continuing operation):			
	(i) Basic		-0.30	1.97
	(ii) Diluted		-0.30	1.97
17	Earnings per equity share (for discontinued operation):			
	(i) Basic		0.00	0.00
	(ii) Diluted		0.00	0.00
18	Earnings per equity share (for discontinued & continuing operation):	29		
	(i) Basic		-0.30	1.97
	(ii) Diluted		-0.30	1.97

Significant Accounting Policies

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Sehgal Mehta & Co.

Chartered Accountants

F.R.N: 003330N

Sd/-

Naresh Khanna

Partner

M. No 081482

Place: New Delhi

Date: 22nd September 2020

UDIN:-20081482AAAABO1718

1

2-34 **For and on behalf of the board of directors**

Sd/-
HARISH SETH
Chairman & Managing
Director
DIN No.- 00002948

Sd/-
RAMESH MEHRA
Director
DIN No.-
00003334

Sd/-
Ashok Agarwal
Chief Finance Office (CFO)

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

CASH FLOW STATEMENT FOR THE YEAR ENDED March 31, 2020

	For the year Ended March 31, 2020 (Rs.)	For the year Ended March 31, 2019 (Rs.)
A		
Cash flow from operating activities:		
Net (loss)/profit before tax	(92,72,331)	5,98,67,531
Adjustments for :		
Depreciation/Amortization	6,68,435	4,38,242
Interest Expense	32,897	6,570
Interest Income	-	(28,08,112)
(Profit)/loss on sale of assets	-	(6,70,14,295)
(Profit)/loss on sale of Shares/Investment	-	-
Operating profit before working capital changes	(85,71,000)	(95,10,065)
Adjustments for changes in working capital :		
- (Increase)/Decrease in Other Receivables	17,667	9,36,591
- Increase/(Decrease) in Trade and Other Payables	84,07,923	(87,55,909)
Cash generated from operations	(1,45,410)	(1,73,29,383)
- Taxes (Paid) / Received	-	-
Net cash from operating activities (a)	(1,45,410)	(1,73,29,383)
B		
Cash flow from Investing activities:		
Additions during the period		(50,00,000)
Proceeds from Sale of fixed assets		6,86,49,879
Purchase of Investment	-	(2,50,00,000)
Sale of Investment		
Interest Received (Revenue)	-	28,08,112
Net cash used in investing activities (b)	-	4,14,57,991
C		
Cash flow from financing activities:		
Proceeds from Long Term Borrowings	(19,40,918)	20,00,000
Loan and advances given	50,00,000	(3,50,00,000)
Interest Paid	(32,897)	(6,570)
Net cash used in financing activities (c)	30,26,186	(3,30,06,570)
Net Increase/(Decrease) in Cash & Cash Equivalents (a+b+c)	28,80,776	(88,77,962)
Cash and cash equivalents in the opening	39,69,297	1,28,47,260
Cash and cash equivalents in the end	68,50,073	39,69,297
Cash and cash equivalents comprise		
Cash in hand	7,21,145	4,23,893
Balance with Scheduled Banks	61,28,928	35,45,404
	68,50,073	39,69,297

Notes :

- 1 The above Cash flow statement has been prepared under the indirect method set out in AS-3 notified in the Companies (Accounting Standard) Rules, 2006.
- 2 Figures in brackets indicate cash outgo.
- 3 Previous year figures have been regrouped wherever necessary to conform to the current year's classification.

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

For Sehgal Mehta & Co.

Chartered Accountants

F.R.N: 003330N

Sd/-

Naresh Khanna

Partner

M. No 081482

Place: New Delhi

Date: 22nd September 2020

UDIN:-20081482AAAABO1718

For and on behalf of the board of directors

Sd/-

HARISH SETH

Chairman & Managing Director

DIN No.- 00002948

Sd/-

RAMESH MEHRA

Director

DIN No.- 00003334

Sd/-

Ashok Agarwal

Chief Finance Office (CFO)

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2020

A. EQUITY SHARE CAPITAL			(Amount in Rs.)
Particulars	As at year ended 31.03.2020	As at year ended 31.03.2019	
Balance at the beginning of the year	30,41,25,600	30,41,25,600	
Addition/(Deletion) during the year	-	-	
Balance at the end of the year	30,41,25,600	30,41,25,600	

B. OTHER EQUITY							(Amount in Rs.)
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, 2018	-	-	-	-	(52,11,30,917)	-	(52,11,30,917)
Profit for the year 2018-19	-	-	-	-	5,98,67,531	-	5,98,67,531
Balance as at 31st March, 2019	-	-	-	-	(46,12,63,386)	-	(46,12,63,386)
Profit for the year 2019-20	-	-	-	-	(92,72,331)	-	(92,72,331)
Balance as at 31st March, 2020	-	-	-	-	(47,05,35,717)	-	(47,05,35,717)

Significant Accounting Policies

1

The accompanying notes are an integral part of the financial statements

As per our report of even date

2-36

For Sehgal Mehta & Co.

Chartered Accountants

F.R.N: 003330N

Sd/-

Naresh Khanna

Partner

M. No 081482

Place: New Delhi

Date: 22nd September 2020

UDIN:-20081482AAAABO1718

For and on behalf of the board of directors

Sd/-

HARISH SETH

Chairman & Managing Director

DIN No.- 00002948

Sd/-

RAMESH MEHRA

Director

DIN No.- 00003334

Sd/-

Ashok Agarwal

Chief Finance

Office (CFO)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020

1. COMPANY OVERVIEW

Pearl Engineering Polymers Limited incorporated on 14th July 1992 and domiciled in India and having its registered office at D-17, MIDC Industrial Area, Kurkumbh, Taluk Daund, District Pune, Maharashtra -413802. The Company is delisted by NSE w.e.f. 26th February 2018 and BSE w.e.f 11th May 2018. The Company was engaged in the business of manufacturing of PET resins. The financial statements are approved for issue by the company's board of directors on **September 22, 2020**.

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 in accordance 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 of the Company have been prepared in accordance with Indian Accounting Standards (Ind-AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules notified till date of financial statements, to the extent applicable.

C. Basis of Measurement

The financial statements have been prepared on a historical cost basis, except the following:-

- i. Certain financial assets and liabilities (including derivatives instruments) and contingent consideration that is measured at fair value;
- ii. assets held for sale - measured at fair value less cost to sells;
- iii. defined benefit plans – plan assets measured at fair value; and
- iv. share-based payments.

D. Use of Estimates and Judgments.

The preparation of financial statements is 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 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 financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of 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 financial statements of the company are measured using Indian Rupee (Rs.) which is the functional currency of the company and the currency of the primary economic environment in which the entity operates. The presentation currency of the company is also Indian Rupee (Rs.) (rounded off to Rs. lakhs up to two decimals)

II. Summary of significant accounting policies

A. Financial Instruments

A. 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

- i. **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.

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

- ii. **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.
- iii. **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).
- iv. **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:

v. 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%
1 to 2 year	0%
More than 2 years	10%
More than 3 years	100%
Doubtful receivables	100%

vi. 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.

B. 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

- i. **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.

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

De-recognition of financial liabilities

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

C. 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.

D. Reclassification of financial assets

The Company determines the classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are categorized as equity

instruments at FVTOCI and financial assets or financial liabilities that are specifically designated at FVTPL. For financial assets, which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

A. Inventories

Inventories are valued as under:-

- I. **Land and plots:** Land and plots other than area transferred to construction work-in-progress of constructed properties are valued at lower of cost or net realizable value. Cost includes land acquisition cost and land development cost. Cost of land and plots is determined on specific identification basis.
- II. **Construction work-in-progress:** Construction work-in-progress of constructed properties include the cost of land, internal development costs, external development charges, construction costs, overheads, borrowing cost, development/construction materials and is valued at lower of cost/estimate cost and net realizable value.
- III. **Trading of real estate:** The cost includes purchase and other costs in bringing the inventory in their present location and condition. Cost is determined specific identification basis.

B. Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind-AS

On transition to Ind-AS, the group has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

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:

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

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

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

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. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Depreciation on additions is provided on a pro-rata basis from the month of acquisition/installation. 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.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

C. Intangible assets

i. Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortized but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

ii. Patents, copyrights and other rights

Separately acquired patents and copyrights are shown at historical cost. Patents, copyrights and non-compete acquired in a business combination are recognized at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortization and impairment losses.

iii. Computer software

Costs associated with maintaining software programmes are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique

software products controlled by the group are recognized as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is available for use.

iv. Research and development

Research expenditure and development expenditure that do not meet the criteria in (iii) above are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

v. Amortization methods and periods

The group amortizes intangible assets with a finite useful life using the straight-line method over the following periods:

- | | |
|--------------------------------------|---------|
| ➤ Patent, copyright and other rights | 5 years |
| ➤ Computer software | 5 years |
| ➤ Non-compete fees | 5 years |

vi. Transition to Ind-AS

On transition to Ind-AS, the group has elected to continue with the carrying value of all of intangible assets recognized as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

D. 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.

The depreciation is not being charged on the investment property as the property is not being put to use for any purpose of business of the company. The leasehold investment properties used in the business of the company 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.

Transition to Ind-AS

On transition to Ind-AS, the group has elected to continue with the carrying value of all of its investment properties recognized as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

E. 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.

F. 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.

G. 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

As a lessee

Leases of property, plant and equipment where the group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liability as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating lease. Payments made under operating leases (net of any incentives received from lessor) are charged to the profit or loss on a straight-line basis over the period of the lease unless the payment are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general

inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

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.

J. Revenue

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are exclusive of GST and net of returns, trade allowances, rebates, value added taxes and amount collected on behalf of third parties.

The company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the group's activity as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue from sale of flat/plots

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.

Revenue from services-Consulting

Revenue from consulting services is recognized in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognized based on actual service provided to the end of the reporting period as a proportion of the total services to be provided (percentage of completion method).

Estimates of revenue, costs or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision became known by management.

Other revenue

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.

K. 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.

L. 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.

M. Employee Benefits

i. Short Term Benefits

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

ii. Post Employment Benefits

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

Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method.

Actuarial gains or losses are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods.

iii. Other long term employee benefits

Leave Encashment

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

N. 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.

O. 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.

P. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of directors of the company has appointed a strategic steering committee which assesses the financial performance and position of the company and makes strategic decisions. The steering committee, which has been identified as being the chief operating decision maker, consists of the chief executive officer and the manager for corporate planning. Refer note.... for segment information presented.

Q. Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all the attached conditions.

Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

R. Non-current assets held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognized for any initial or subsequent write-down of the assets (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increase in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current assets (or disposal groups) is recognized at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Non-current assets classified as held for sale are presented

separately from the other assets in the balance sheet. The liabilities of disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is a part of single co-ordinated plan to dispose of such a line of business or area of operation, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the profit and loss.

S. Contributed Equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

T. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

U. Earnings per share

i. Basic earnings per share

Basic earnings per share is calculated by dividing:-

- The profit attributable to owners of the group
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

ii. Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:-

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

V. Rounding of amounts

All amount disclosed in the financial statement and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

PEARL ENGINEERING POLYMERS LIMITED

2. PROPERTY, PLANT AND EQUIPMENT

The following table shows changes in Property, Plant and Equipment during the quarter ended 31st March 2020

	Land Leasehold	Vehicles	Total
Cost or Valuation			
As at 1.4.2019	0	61,44,313	61,44,313
Additions		0	0
Disposals	0		0
As at 31.3.2020	0	61,44,313	61,44,313
Depreciation			
As at 1.4.2019	0	12,89,488	12,89,488
Charges for the year	0	6,68,435	6,68,435
Disposals	0		0
As at 31.3.2020	0	19,57,923	19,57,923
Net Block			
As at 31.3.2020	0	41,86,389	41,86,389
As at 31.3.2019	0	48,54,824	48,54,824

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

3. INVESTMENT PROPERTY

The following table shows changes in investment Property during the quarter ended 31st march 2020

	Building	Total (Rs. in lakhs)
Cost or Valuation		
As at 1.4.2019	1,19,30,452	1,19,30,452
Additions	0	0
Disposals	0	0
As at 31.3.2020	1,19,30,452	1,19,30,452
Depreciation		
As at 1.4.2019	5,833	5,833
Charges for the year	0	0
Disposals	0	0
As at 31.3.2020	5,833	5,833
Net Block		
As at 31.3.2020	1,19,24,619	1,19,24,619
As at 31.3.2019	1,19,24,619	1,19,24,619

	Year Ended 31.03.2020	Year Ended 31.03.2019
(i) Amount recognised in Statement of profit and loss for investment properties		
Rental income	-	-
Direct operating expenses from property that generated rental income	-	-
Direct operating expenses from property that did not generate rental income	-	-

(ii) Contractual Obligations and restrictions

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

	Year Ended 31.03.2020	Year Ended 31.03.2019
(iv) Fair Value of investment property		
Investment properties	2,25,00,000	2,25,00,000

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

Estimation of fair value

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

- Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
- Discounted cash flow projections based on reliable estimates of future cash flows
- Capitalised income projections based upon a property's estimated net market income and a capitalisation rate derived from an analysis of market evidence

The fair values of investment properties have been determined as per the Memorandum of Understanding between the company with M/s Jsons Foundary Pvt. Ltd. for sale of Residential property dated 31st August 2017 at Rs.2,25,00,000/- (Two Crore Twenty Five Lakhs Rupees). The main inputs used are the local enquiries and prevailing market trends adjusted for location, size, utility, condition and other factors having influence over the fair value. All resulting fair value estimates for investment properties are included in level 3.

4. INTANGIBLE ASSETS

Particulars	Software	Total
Gross Carrying value		
As at 1st April 2019	17,142	17,142
Addition	-	-
As at 31st March 2020	17,142	17,142
		-
Amortization		
As at 1st April 2019	17,142	17,142
Charges for the year	-	-
As at 31st March 2020	17,142	17,142
		-
Net Carrying Value		
As at 31st March 2020	-	-
As at 31st March 2019	-	-

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2020

NON CURRENT ASSETS

2	Particulars	As at 31st March 2020	As at 31st March 2019
	Property Plant & Equipment		
	Property, Plant & Equipment (Ref Note 2)	41,86,389.48	48,54,824.47
	Total Property Plant & Equipment	41,86,389.48	48,54,824.47

3	Particulars	As at 31st March 2020	As at 31st March 2019
	Investment Property		
	Investment Property (Ref Note 3)	1,19,24,618.57	1,19,24,618.57
	Total Capital work in progress	1,19,24,618.57	1,19,24,618.57

4	Other Intangible Assets	As at 31st March 2020	As at 31st March 2019
	Other Intangible Assets (Ref Note 4)	-	-
	Total Other Intangible Assets	-	-

FINANCIAL ASSETS

5	Investments	As at 31st March 2020	As at 31st March 2019
	Preference Shares		
	125000 (Previous year 125000) 5% Non-Cumulative Redeemable Preference Shares of Beta Finance & Trading Pvt. Ltd. @ Rs.100 Each	1,25,00,000.00	1,25,00,000.00
	125000 (Previous year 125000) 5% Non-Cumulative Redeemable Preference Shares of GAMA Investments Pvt. Ltd. @ Rs.100 Each	1,25,00,000.00	1,25,00,000.00
	Total Investments	2,50,00,000.00	2,50,00,000.00

6	Loans	As at 31st March 2020	As at 31st March 2019
	Security Deposits-unsecured-considered good		
	- Considered Good	11,86,015.00	11,86,015.00
	- Considered Doubtful	-	-
	- Less Provision for Doubtful	-	-
		11,86,015.00	11,86,015.00
	Loans-unsecured-considered goods	3,00,00,000.00	3,50,00,000.00
	Total Loans	3,11,86,015.00	3,61,86,015.00

7	Other Financial Assets	As at 31st March 2020	As at 31st March 2019
	Interest Receivables	6,60,795.00	6,60,795.00
	Total Other Financial Assets	6,60,795.00	6,60,795.00

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

8	Other Non Current Assets	As at 31st March 2020	As at 31st March 2019
	Income tax advances (net of tax liability)		
	Balance Recoverable from Excise Department (Doubtful)	50,00,000.00	50,00,000.00
	Provision made against deposit with customs	(50,00,000.00)	(50,00,000.00)
		-	-
	Amount Recoverable from LIC (Considered Good)	5,52,146.00	5,52,146.00
	Balance Recoverable from Excise Department (Considered Good)	61,14,664.00	61,14,664.00
	Provision made against recoverable with Excise Department	(61,14,664.00)	(61,14,664.00)
		-	-
	Total Other Non Current Assets	5,52,146.00	5,52,146.00

CURRENT ASSETS

FINANCIAL ASSETS

9	Trade Receivables	As at 31st March 2020	As at 31st March 2019
	Debts outstanding for a period exceeding six months from the date they are due for payment		
	Unsecured Considered Good		
	From Others	61,88,990.00	61,88,990.00
	Less: Provision for Doubtful Debts	(61,88,990.00)	(61,88,990.00)
		-	-
	Unsecured Considered Doubtful (Other than related parties)	83,53,016.60	83,53,016.60
	Less: Provision for Doubtful Debts	(83,53,016.60)	(83,53,016.60)
		-	-
	Total Trade Receivables	-	-

10	Cash and Cash Equivalents	As at 31st March 2020	As at 31st March 2019
	Balances with Banks		
	- Current account	61,28,928.36	35,45,404.44
	Cash in hand	7,21,145.00	4,23,893.00
	Total Cash and Cash Equivalents	68,50,073.36	39,69,297.44

11	Current Tax Assets (Net)	As at 31st March 2020	As at 31st March 2019
	Income tax advances (net of tax liability)	15,23,157.00	15,23,157.00
	Total Current Tax Assets (Net)	15,23,157.00	15,23,157.00

12	Other Current Assets	As at 31st March 2020	As at 31st March 2019
	Prepaid Expenses	-	2,638.00
	Other advances	2,65,580.00	2,80,609.00
	Total Other Current Assets	2,65,580.00	2,83,247.00

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

EQUITY AND LIABILITIES

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020

13 EQUITY SHARE CAPITAL

Particulars	As at 31st March 2020	As at 31st March 2019
AUTHORISED		
4,20,00,000(Previous Year- 4,20,00,000) Equity shares of Rs.10/- each	42,00,00,000.00	42,00,00,000.00
8,00,00,000(Previous Year-8,00,000) Redeemable Preference Shares of Rs.100/- each	8,00,00,000.00	8,00,00,000.00
Total Authorised Capital	50,00,00,000.00	50,00,00,000.00
ISSUED, SUBSCRIBED & FULLY PAID UP		
30,41,25,600(Previous Year -30,41,25,600) Equity shares of `10/-each.	30,41,25,600.00	30,41,25,600.00
Less : Calls in Arrears	-	-
	30,41,25,600.00	30,41,25,600.00
Total issued, subscribed and paid-up capital	30,41,25,600.00	30,41,25,600.00

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

Particulars	No. of Shares	Amount
As at 1st April 2019	3,04,12,560.00	3,04,12,560.00
Add/(less): Issued/(redeemed) during the year	-	-
As at 31st March 2019	3,04,12,560.00	3,04,12,560.00
Add/(less): Issued/(redeemed) during the year	-	-
As at 31st March 2020	3,04,12,560.00	3,04,12,560.00

(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
As at 31st March 2019		
Pacific Pearl Finance & Leasing Ltd	26,15,906.00	8.60%
Pearl Polymers Ltd	54,92,960.00	18.06%
Pearl Telefonics Ltd	25,09,160.00	8.25%
Krishen Seth	15,91,000.00	5.23%
Harish Seth	17,13,560.00	5.63%
Anand Fashions International LLC	16,00,000.00	5.26%
As at 31st March 2020		
Pacific Pearl Finance & Leasing Ltd	26,15,906.00	8.60%
Pearl Polymers Ltd	54,92,960.00	18.06%
Pearl Telefonics Ltd	25,09,160.00	8.25%
Harish Seth	40,57,032.00	13.34%
Anand Fashions International LLC	16,00,000.00	5.26%
Gama Investments Pvt Ltd	23,44,151.00	7.71%

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

14	OTHER EQUITY	As at 31st March 2020	As at 31st March 2019
	(a) Reserve and Surplus		
	Capital Reserve		
	Balance at the commencement of the year		
	Add: Addition/(deletion) during the year		
	Balance at the end	-	-
	Capital Redemption Reserve		
	Balance at the commencement of the year		
	Add: Addition/(deletion) during the year		
	Balance at the end	-	-
	Securities Premium Reserve		
	Balance at the commencement of the year		
	Add: Addition/(deletion) during the year		
	Balance at the end	-	-
	General Reserve		
	Balance at the commencement of the year		
	Add: Addition/(deletion) during the year		
	Balance at the end	-	-
	Retained Earnings		
	Balance at the commencement of the year	(46,12,63,385.52)	(52,11,30,916.67)
	Add: Profit/(loss) during the year	(92,72,331.07)	5,98,67,531.15
	Balance at the end	(47,05,35,716.60)	(46,12,63,385.52)
	Total (a)	(47,05,35,716.60)	(46,12,63,385.52)
	(a) Other Components of Equity		
	Remeasurement of net defined benefit plan		
	Balance at the commencement of the year	-	-
	Add: Profit/(loss) during the year		
	Balance at the end	-	-
	Total (a)		
	Total (a+b)	(47,05,35,716.60)	(46,12,63,385.52)

15	ERSTWHILE LOAN BARRED BY LIMITATION	As at 31st March 2020	As at 31st March 2019
	ERSTWHILE LOAN BARRED BY LIMITATION	16,19,23,901.00	16,19,23,901.00
		16,19,23,901.00	16,19,23,901.00

CURRENT LIABILITIES
FINANCIAL LIABILITIES

16	Borrowings	As at 31st March 2020	As at 31st March 2019
	Other loans and advances		
	Inter Corporate Deposits Received	59,082.00	20,00,000.00
	Total Borrowings	59,082.00	20,00,000.00

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

17	Trade Payables	As at 31st March 2020	As at 31st March 2019
	Creditors for Raw materials	-	-
	Creditors for Capital Goods	-	-
	Creditors for Other services	87,000.00	1,38,500.00
	Total Trade Payables	87,000.00	1,38,500.00

18	Other Financial Liabilities	As at 31st March 2020	As at 31st March 2019
	Liability for Redemption of 0.01% Redeemable Preference Shares (706000 shares @ Rs.100 each(706000 shares in previous year)) (Redeemable Preference Shares were to be redeemed at par in three annual installments on 30th September, 2012, 2013 & 2014)	7,06,00,000.00	7,06,00,000.00
	Total Other Financial Liabilities	7,06,00,000.00	7,06,00,000.00

NON FINANCIAL LIABILITIES

19	Other Current Liabilities	As at 31st March 2020	As at 31st March 2019
	-Sales Tax/VAT Payable	-	22,63,051.00
	TDS Payable	14,020.00	27,434.00
	Other payables	1,58,74,888.00	51,39,000.00
	Total Other Current Liabilities	1,58,88,908.00	74,29,485.00

20	Revenue from Operations	As at 31st March 2020	As at 31st March 2019
	Sale of products		
	Other operating revenues	-	-
		-	-

21	Other Income	As at 31st March 2020	As at 31st March 2019
	Interest income on		
	Others	-	28,08,112.38
	Net gain/loss on sale of investments		-
	Profit on sale of assets	-	6,70,14,295.35
	Liability no longer required	7,110.00	110.00
	Provision No Longer Required written back	-	-
	Misc. Income	1,347.92	
	Total Other Income	8,457.92	6,98,22,517.73

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

22	Cost of Raw Materials Consumed	As at 31st March 2020	As at 31st March 2019
	Raw Materials		
	Inventory at the beginning of the year		
	Add: Purchase		
	Less: Inventory at the end of the year		-
	Packing Materials		
	Inventory at the beginning of the year		
	Add: Purchase		
	Less: Inventory at the end of the year		-
	Direct Purchase		-
			-
	Total Cost of Raw Materials Consumed		-

Particulars of Raw Materials consumed	Value Rs. in lakhs March 31, 2020	Value Rs. in lakhs March 31, 2019
Total Purchases		-

23	Purchase of Traded goods	As at 31st March 2020	As at 31st March 2019
			-

24	Changes in inventories of Finished Goods, Stock in Process and Stock in Trade	As at 31st March 2020	As at 31st March 2019
	Inventory at the beginning of the year		
	Finished goods and Accessories		
	Stock in Trade		
	Semi finished goods		-
	Inventory at the end of the year		
	Finished goods and Accessories		
	Stock in Trade		
	Semi finished goods		-
			-

25	Employee benefit Expenses	As at 31st March 2020	As at 31st March 2019
	Salary, Wages, Bonus & Other Allowance	3,02,500.00	4,43,903.00
	Contribution to P.F, ESI & other Funds	-	900.00
	Staff Welfare expenses	-	9,079.00
	Total Employee benefit Expenses	3,02,500.00	4,53,882.00

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

26	Finance Costs	As at 31st March 2020	As at 31st March 2019
	Interest Expenses		
	Others		
	Interest Others	31,414.00	588.00
	Other Borrowing Cost		
	Bank Charges	1,482.50	5,982.00
	Total Finance Cost	32,896.50	6,570.00

27	Depreciation and Amortization	As at 31st March 2020	As at 31st March 2019
	Depreciation	6,68,434.99	4,29,590.58
	Amortization	-	8,651.00
	Total Depreciation and Amortization	6,68,434.99	4,38,241.58

28	Other Expenses	As at 31st March 2020	As at 31st March 2019
	Consumption of Stores & Spares		
	Freight, Octroi & Cartage	8,000.00	-
	Power and Fuel		
	Electricity & Water Charges	-	1,03,051.00
	Advertisement, Publicity & Selling expenses	10,309.00	92,356.00
	Printing, Stationery, Postage, Telephone & Telex	2,53,936.00	16,66,424.00
	Rent	10,00,000.00	24,00,000.00
	Repairs & Maintenance		
	- Others	-	24,00,000.00
	Insurance	46,715.00	16,167.00
	Rates & Taxes	2,000.00	5,000.00
	Conveyance & Travelling expenses	1,15,962.00	96,916.00
	Legal & Professional Fees	56,63,850.00	18,97,629.00
	Payment to Auditors (Refer details below)	1,18,000.00	1,18,000.00
	Sales Tax Additional Demand	-	-
	Security expenses	-	-
	Miscellaneous expenses	10,58,185.50	2,60,750.00
	Total Other Expenses	82,76,957.50	90,56,293.00

Payment to Auditors	Statutory Auditors	Statutory Auditors
Audit Fees		
Statutory Audit Fees	1,18,000.00	1,18,000.00
Limited Review Fee for Taxation matters	-	-
	1,18,000.00	1,18,000.00
Total Payment to Auditors	1,18,000.00	1,18,000.00

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

29	Earning per share (EPS)		
	The following reflects the basic and diluted EPS computations :		
	Total operations for the year	(Amount in Rs.)	(Amount in Rs.)
	Net Profit/(Loss) for allocation of basic EPS	(92,72,331.07)	5,98,67,531.15
		(No.)	(No.)
	Weighted average number of equity shares in calculating basic EPS	3,04,12,560.00	3,04,12,560.00
	Basic Earning per share (Rs.)	(0.30)	1.97
	Total No of weighted average Equity Shares including diluted potential Equity Shares outstanding during the year	3,04,12,560.00	3,04,12,560.00
Diluted Earning per share (Rs.)	(0.30)	1.97	

30	Contingent Liabilities	(Amount in Rs.)	(Amount in Rs.)
	i) Custom Duty Demand (other than Penalty if any, which is not quantifiable at this stage)	36,812.00	36,812.00
	ii) Custom Duty Demand (other than i above)	3,103.00	3,103.00
	iii) All the workers were retrenched in the last year and were paid retrenched benefit .However the workers have filled case in the Labour court asking for reinstatement and compensation.(The amount payable if any, can not be quantified, at this stage.)		

31	Related party disclosures
	Name of relative parties and related party relationship
	Key Management Personnel
	Mr. Harish Seth
	Mr. Ramesh Mehra
	Mr. Brijesh Banshi Mathur
	Relatives of Key Management personnel and their enterprises where transactions have taken place
	Mrs. Madhu Seth
	Related parties where control exists
	Pearl Polymers Limited
Pearl Apartments Limited	
Pearl International Tours & Travels Private Limited	
Amit Apartments Limited	
Emperor Travels & Tours Private Limited	
Beta Finance and Trading Private Limited	

Related party transaction during the year		
Rent Paid		
Madhu Seth	10,00,000.00	24,00,000.00
Sharing of Common Expenses		
Pearl International Tours & Travels Private Limited	-	24,00,000.00
		-

PEARL ENGINEERING POLYMERS LIMITED

Annual Report 2019-20

32 ERSTWHILE LOAN BARRED BY LIMITATION

The Company has been legally advised that, in view of Foreign Financial Institution's Advocate Letter dated 4th October, 2006 recalling the entire outstanding loan amount under the Loan Agreement of 1993, enforcement of such recall in law could take place within 3 years of the termination of the Amended Loan Agreement of 2003 with effect from 30.09.2006. Under the circumstances, Foreign Financial Institution or its Assignee, if any, cannot enforce any outstanding against the Company in any court of law post 30.09.2009 despite the existence of debt. Accordingly interest in respect of above loan after 03.10.2009, has not been provided in the books. Further, the outstanding by way of secured & unsecured loan and interest aggregating to Rs. 1,61,924 Thousand was shown as "Erstwhile Loan Barred By Limitation" in the previous year. There is no change in the current year.

33 Discontinuing Activity

The company has discontinued its manufacturing activity and has disposed off plant machinery, spares and Factory Building. The Company is exploring the option for sale and disposal of its remaining movable and immovable assets. The loss on sale of Fixed assets at Rs. 200,85,129/- is grouped under the head Loss on sale of Assets in the Profit and Loss account. Due to this, the company is not viewed as a going concern.

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

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

On Behalf of the Board

Sd/-
NARESH KHANNA

Partner
Membership No. 081482

Place: New Delhi
Date: 22nd September 2020
UDIN:-20081482AAAABO1718

Sd/-
HARISH SETH
Chairman & Managing Director
DIN No.- 00002948

Sd/-
RAMESH MEHRA
Director
DIN No.- 00003334

Sd/-
Ashok Agarwal
Chief Finance Office (CFO)