

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PHILOSOPHY

The Board is committed to maintaining a high standard of corporate governance practices and devotes considerable effort to identify and formalize best practices. We believe that sound and effective corporate practices are fundamental to the smooth and transparent operation of a company and its ability to attract investment, protect the rights of the stakeholders and enhance shareholder value.

Comprehensive guidelines, policies and procedures have been formulated by the Board of Directors. The Company has complied with all the applicable provisions in the Corporate Governance Code set out in SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 hereinafter, in this report referred to as SEBI (LODR) Regulations, 2015.

THE BOARD OF DIRECTORS

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

Composition

The Board currently comprises six Directors, of whom, three are Executive and other three are Non-Executive Independent Director (including one Woman Director). The Board has an executive Chairperson.

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

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

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

Name/ Category of the Director	Number of Directorship ¹	Number of Committee positions held ²	
		Membership	Chairmanship
Executive Director			
Mr. Chand Seth (Chairman & Managing Director)	5	1	-
Mr. Varun Seth (Whole Time Director)	3	1	-
Mr. Ramesh Mehra (Whole Time Director)	4	4	-
Non-Executive Independent Director			
Ms. Meera Johri (Independent Director)	1	1	1
Mr. Ravi Kumar Mehra (Independent Director)	1	1	1
Mr. Ashish Harish Bhuva (Independent Director)	2	-	-

- Directorship held by Directors as mentioned above, do not include directorship In Foreign Companies, Companies registered under Section 8 of the Companies Act, 2013 and Private Limited Companies.
- For the purpose of reckoning the limit, membership of Audit Committee and Stakeholders' Relationship Committee has been considered.
- None of the Director(s) is inter se related to any other Director on the Board, except Mr. Chand Seth and Mr. Varun Seth, who are related to each other.

BOARD MEETINGS

The Board meets regularly at least four times a year at quarterly intervals and holds additional meetings as and when the Board thinks appropriate. Four Board meetings were held during the financial year 2016-17. Draft agenda for Board meetings were prepared by the Company Secretary and circulated to all Directors for comments before each meeting. The agenda, together with Board papers, were sent in full to the Directors not less than seven days before the intended date of the Board meeting.

The gap between two Board meetings did not exceed more than 120 days. The leave of absence ("LOA") was granted to the



Directors as and when requested by them. The Board was made available with necessary information as required to be placed before the Board as per SEBI (LODR) Regulations, 2015 for their discussion and consideration.

Directors of the Company play an active role in participating the Company's meetings through contribution of their professional opinions and active participation in discussion. The details of Board Meetings along with attendance record of each of the Directors for the Board meetings and the last Annual General Meeting ("AGM") held during financial year is listed as follows:

Name of the Director	Attendance at the Board Meetings held on				Attendance at 45 th AGM
	30.05.2016	11.08.2016	04.11.2016	09.02.2017	30.09.2016
Mr. Chand Seth	Yes	Yes	Yes	Yes	Yes
Mr. Varun Seth	Yes	LOA	Yes	LOA	LOA
Mr. Ramesh Mehra	Yes	LOA	LOA	LOA	LOA
Mr. Ashish Harish Bhuvra	Yes	LOA	LOA	LOA	LOA
Ms. Meera Johri	LOA	Yes	Yes	Yes	Yes
Mr. Ravi Kumar Mehra	Yes	Yes	Yes	Yes	Yes

INDEPENDENT DIRECTORS (ID)

Separate Meetings

The Independent Directors met on May 30, 2016 without the presence of Non-Independent Directors and members of the Management. At this meeting, the Independent Directors *inter alia* evaluated the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the Chairperson of the Board and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

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.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

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

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

CODE OF CONDUCT

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

BOARD COMMITTEES

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

The Following four board committees have been established and each of them has its specific duties and authorities set out in its own terms of reference.

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

A) MANDATORY COMMITTEE

(i) Audit Committee

The role and terms of reference of the Audit Committee are in conformity with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The objective of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures.

Composition

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

Regulations, 2015. The Committee comprised of Three (3) Members namely, Mr. Ravi Kumar Mehra as Chairperson and Ms. Meera Johri, Mr. Varun Seth as Members.

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

Meetings

The Audit Committee meets regularly with at least four meetings annually. The details of attendance records of the members of the Audit Committee are as follows:

Name of the Director	Category of Director	Attendance at the Meetings held on			
		28.05.2016	11.08.2016	04.11.2016	09.02.2017
Mr. Ravi Kumar Mehra	Independent Director	Yes	Yes	Yes	Yes
Ms. Meera Johri	Independent Director	Yes	Yes	Yes	Yes
Mr. Varun Seth	Executive Director	LOA	LOA	Yes	LOA

(ii) Stakeholders' Relationship Committee

The role and terms of reference of the Stakeholders' Relationship Committee are in conformity with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The Committee looks into the process of share transfers, grievances of security holders, if any, and also reviews the working of Company's Registrar & Share Transfer Agent.

Composition

The composition of the Stakeholders' Relationship Committee is as per the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The Committee comprised of Four (4) Members namely Ms. Meera Johri as Chairperson, and Mr. Ravi Kumar Mehra, Mr. Chand Seth and Mr. Ramesh Mehra as Members.

Meetings

The details of attendance record of the members of the Stakeholders' Relationship Committee are as follows:

Name of the Director	Category of Director	Attendance at the Meetings held on			
		28.05.2016	11.08.2016	04.11.2016	09.02.2017
Ms. Meera Johri	Independent Director	Yes	Yes	Yes	Yes
Mr. Ravi Kumar Mehra	Independent Director	Yes	Yes	Yes	Yes
Mr. Chand Seth	Executive Director	LOA	Yes	Yes	Yes
Mr. Ramesh Mehra	Executive Director	Yes	LOA	LOA	LOA

Details of Complaints received and resolved during the financial year 2016-17:

SI No.	Nature of Complaints	Complaints Received	Complaints Resolved	Complaints Pending
1	Request for Change of Address	04	04	NIL
2	Request for Duplicate shares/ Splitting/ Consolidation of share certificates	NIL	NIL	NIL
3	Request for Dematerialization/ Rematerialisation of shares	73	73	NIL
4	Request for Share Transfer/Share Transmission	13	13	NIL
5	Complaints from Stock Exchange/ SEBI/ Depositories	1	1	NIL
6	Miscellaneous request including redemption of debentures, unclaimed dividend, Annual Reports etc.	21	21	NIL

Further, all the request for transfer of shares has also been processed in time and no transfer were pending for registration for more than 15 days as on March 31, 2017. Ms. Priyanka, Company Secretary has been designated as the "Compliance Officer" of the company in terms of Regulation 6 of SEBI (LODR) Regulations, 2015. No complaints/ grievances are pending for the financial year ended March 31, 2017.

(iii) Nomination and Remuneration Committee

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

Composition

The composition of the Nomination and Remuneration Committee is as per the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The Committee comprised of Three (3) Members namely Mr. Ravi Kumar Mehra as Chairperson and Ms. Meera Johri, Mr. Ashish Harish Bhuvra as Members.

Meetings

The details of attendance record of the members of the Nomination and Remuneration Committee are as follows:

Sl No.	Name of the Director	Category of Director	Attendance at the Meeting held on 09.02.2017
1	Mr. Ravi Kumar Mehra	Independent Director	Yes
2	Ms. Meera Johri	Independent Director	Yes
3	Mr. Ashish Harish Bhuva	Independent Director	LOA

REMUNERATION OF DIRECTORS

Each Director will be entitled to Director's Remuneration/fee which is determined by the Board with authorization granted by the shareholders at the Company's Annual General Meetings. The remuneration of Executive Directors and senior management of the Company is determined with reference to the Company's performance, profitability and policy, as well as remuneration benchmarks in the industry and the prevailing market conditions.

Remuneration paid to Executive Directors for the financial year 2016-17 is as follows:

(Rs. in Lakhs)

Sl No.	Name of the Director	Salary and Allowances	Perquisite	Incentive/ Stock option etc.	Total
1	Mr. Chand Seth	32.40	21.53	-	53.93
2	Mr. Varun Seth	33.00	6.00	-	39.00
3	Mr. Ramesh Mehra	13.80	-	-	13.80

Sitting fee paid to Non-Executive & Independent Directors for the financial year 2016-17 is as follows:

(Rs. in Lakhs)

Sl No.	Name of the Director	Sitting Fee	Total	Shares held
1	Mr. Ashish Harish Bhuva	0.05	0.05	0
2	Ms. Meera Johri	0.20	0.20	0
3	Mr. Ravi Kumar Mehra	0.20	0.20	0

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

Performance Evaluation Criteria

The Nomination and Remuneration Committee has adopted a Policy for evaluation of the Board, its Committees and Directors including Independent Directors and the same has been approved by the Board of Directors of the Company. The process for Board Evaluation is given in the Board's Report.

B) NON MANDATORY COMMITTEES

In addition to the above referred Committees, the Board of Directors has constituted the finance committees of Directors.

Finance Committee

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

The Composition and Terms of Reference of Finance Committee are as follows:

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

During the financial year 2016-17, the Committee meets fortnightly to approve share transfers/ transmission and consider such other matters as may be delegated to the committee by the Board from time to time.

MANAGEMENT DISCUSSIONS AND ANALYSIS

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

GENERAL BODY MEETINGS

Annual General Meeting

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

AGM No.	Financial Year	Address	Date and Time	Special Resolution Passed
43 rd	2013-14	A-97/2, Okhla Industrial Area, Phase-II, New Delhi-110020	29.09.2014 11.30 A.M.	I. Re-appointment of Mr. Chand Seth as the Chairman & Managing Director and Remuneration payable to him. II. Alteration in Articles of Association of the Company. III. Empowering Board of Directors to borrow u/s 180(1)(c) of the Companies Act 2013
44 th	2014-15		30.09.2015 11.30 A.M.	Nil
45 th	2015-16		30.09.2016 11.30 A.M.	Nil

Extra-Ordinary General Meeting

No Extra-Ordinary General Meeting of the Shareholders was held during the financial year 2016-17.

E-VOTING FACILITY

The Company extends the facility for Remote E-voting to the shareholders to exercise their voting rights electronically on all resolutions proposed at ensuing AGM. Detailed procedure for Remote E-voting is provided in the Attendance Slip, annexed to this Annual Report.

DETAILS OF POSTAL BALLOT

I. Special Resolutions passed through postal ballot

During the year, no Special Resolution was passed through postal ballot.

II. Special Resolutions proposed to be conducted through postal ballot

No Special Resolution is proposed to be passed through postal ballot.

RELATED PARTY TRANSACTIONS

All transactions entered into with related parties as defined under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 during the year were on an arm's length price basis and in the ordinary course of business, these have been approved by the Audit Committee. The Board of Directors have approved and adopted a policy on Related Party Transactions and the same has been uploaded on the website of the Company www.pearlpet.net. The details of the related party transactions, as per requirement of Accounting Standard, are disclosed in notes to the financial statements of the Company.

DISCLOSURE OF ACCOUNTING TREATMENT

The Company has followed the treatment laid down in the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in the preparation of financial statements. The significant accounting policies are set out in the notes to the financial statements.

COMPLIANCE WITH REGULATIONS

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. There has been no instance of non-compliance with any legal requirements, nor have there been any strictures imposed by any stock exchange or SEBI, on any matters relating to the capital market over the last three years.

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

VIGIL MECHANISM & WHISTLE BLOWER POLICY

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

CEO AND CFO CERTIFICATION

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



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

MEANS OF COMMUNICATION

Financial Results

The Quarterly, Half-Yearly and Annual Financial Results are regularly submitted to the Stock Exchanges in accordance with the SEBI (LODR) Regulations, 2015 and are generally published in the below mentioned newspaper:

- I. Financial Express (English Language)
- II. Pioneer (English Language)
- III. Hari Bhoomi (Hindi Language)
- IV. Jansatta (Hindi Language)
- V. Awam- E- Hind (Hindi Language)

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

GENERAL SHAREHOLDERS' INFORMATION

46th Annual General Meeting

Date and Time	September 29, 2017 at 11:30 A.M.
Venue	A-97/2, Okhla Industrial Area, Phase-II, New Delhi-110020
Dividend payment date	Not Applicable
Book Closure	September 23, 2017 to September 29, 2017 (Both days inclusive)

Financial Calendar for the year 2017-2018 (Tentative)

Financial Year	2017-18	
Results for the Quarter ending	Audited/Un-audited	Tentative date of reporting
June 30, 2017	Un-audited	On or before September 14, 2017
September 30, 2017	Un-audited	On or before December 14, 2017
December 31, 2017	Un-audited	On or before February 14, 2018
March 31, 2018	Audited	On or before May 30, 2018

LISTING OF SHARES

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

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

The annual Listing Fee/ Custodial Fees for the financial year 2016-17 have duly been paid to the Stock Exchanges/ Depositories.

STOCK MARKET DATA FOR THE FINANCIAL YEAR 2016-17

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



PEARL Polymers Limited

Monthly/Year	NSE				BSE			
	Share Price				Share Price			
	High	Low	Close	CNX Nifty Close	High	Low	Close	Sensex Close
April 2016	17.80	10.95	15.60	7849.80	17.50	12.15	16.00	25606.62
May 2016	18.00	13.20	17.30	8160.10	18.55	13.25	17.25	26667.96
June 2016	19.00	15.00	18.00	8287.75	19.40	13.30	18.50	26999.72
July 2016	26.15	16.20	23.80	8638.50	26.75	16.80	23.95	28051.86
August 2016	25.85	17.50	18.35	8786.20	25.80	17.10	18.00	28452.17
September 2016	22.00	17.20	18.75	8611.15	21.90	15.15	18.85	27865.96
October 2016	31.00	17.95	28.45	8625.70	31.00	18.00	28.40	27930.21
November 2016	28.05	17.00	23.45	8224.50	28.10	16.15	23.55	26652.81
December 2016	25.40	21.30	23.95	8185.80	24.60	22.10	24.00	26626.46
January 2017	27.90	21.75	26.55	8561.30	30.95	23.60	26.55	27655.96
February 2017	40.25	24.60	37.90	8879.60	40.10	24.50	38.10	28743.32
March 2017	39.35	30.90	35.00	9173.75	39.35	31.00	34.50	29620.50

Distribution of Shareholding as on March 31, 2017

Shareholders			Share Amount		
Shareholding of Nominal value (Rs.)	Number of Shareholder	% of total holding	Number of shares	Amount in (Rs.)	% to total share capital
01 to 5000	9518	90.36	1305499	13054990	7.76
5001 to 10000	517	4.90	442597	4425970	2.63
10001 to 20000	222	2.11	349688	3496880	2.08
20001 to 30000	76	0.72	197594	1975940	1.17
30001 to 40000	32	0.30	115811	1158110	0.69
40001 to 50000	49	0.47	234627	2346270	1.39
50001 to 100000	46	0.44	356710	3567100	2.12
100001 and above	74	0.70	13832406	138324060	82.16
Total	10534	100.00	16834932	168349320	100.00

Categories of Shareholders as on March 31, 2017

Sl No.	Category	No. of Share Held	% of shareholding
1	Promoters	9066840	53.86
2	Mutual Fund and UTI	5410	0.03
3	Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non-government Institutions)	641042	3.81
4	Bodies Corporate	745504	4.43
5	Indian Public	6003183	35.65
6	NRIs/OCBs/FIIs	243972	1.45
7	Clearing Member	128981	0.77
	TOTAL	16834932	100.00

DEMATERIALISATION OF SHARES AND LIQUIDITY

As on March 31, 2017, the status of equity shares in demat and physical form is provided hereunder:

Particulars	No. of Shares	% to share capital
Shares in Demat Form held with NSDL	13747181	81.66
Shares in Demat Form held with CDSL	1940765	11.53
Shares in Physical Form	1146986	6.81
Total	16834932	100.00
Depositories	National Securities Depository Limited (NSDL)	Central Depository Services (India) Limited (CDSL)
ISIN	INE844A01013	

SHARE TRANSFER SYSTEM

Shares sent for physical transfer are effected within 15 working days of lodgment, provided all the documents submitted are in order. Pursuant to Regulation 40(9) of the SEBI (LODR) Regulations 2015, the Company obtains a half- yearly certificate on compliance with share transfer process from a Practicing Company Secretary and a copy of the same is filed with the Stock Exchanges.

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

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

ADDRESS FOR CORRESPONDENCE

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

PLANT LOCATIONS

Sl No.	Location of Plant(s)	Address
1	Mahad	B-3/2, M.I.D.C. Industrial Area, Mahad, Distt.-Raigad, Maharashtra- 402309
2	Jigani	13-A, Part-I, Jigani Industrial Area, Distt. Anekal, Bangalore, Karnataka- 562106
3	Baddi	Khasra No 512-513, Village Sandholi, P.O. Baddi, Nalagarh, Himachal Pradesh- 173205
4	Pant Nagar	Plot No 45, Sector-3, Village Kalyanpur, Distt U.S.,Nagar, IIE, Rudrapur, Pant Nagar, Uttaranchal- 263153
5	Guwahati	Plot No 10, Jagati Logistic, Distt. Kamrup, Village Sindurghopa Guwahati, Assam – 781101

ADOPTION OF NON-MANDATORY REQUIREMENTS

- I. During the financial year 2016-17, there was no audit qualification in the Auditors' Report on the Company's financial statements.
- II. The Internal Auditor directly reporting to the members of the Audit Committee.

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
Pearl Polymers Limited,

We have examined the compliance of conditions of Corporate Governance by Pearl Polymers Limited ('the Company'), for the financial year ended March 31, 2017, as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from April 01, 2016 to March 31, 2017. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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

For Sehgal Mehta & Co.

Chartered Accountants

(Firm Registration No. 003330N)

Naresh Khanna

Partner

Membership No. 081482

Place: New Delhi

Date: August 09, 2017

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that the Company has obtained from all the Members of the Board and Senior Management Personnel, affirmation (s) that they have complied with the code of conduct in respect of financial year ended on March 31, 2017.

For and on behalf of the **Board of Directors**

Place: New Delhi

Date: May 30, 2017

Chand Seth

Chairman & Managing Director

CMD & CFO Certificate

To the Board of Directors

Pearl Polymers Limited

This is to certify that

1. We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2017 and that to the best of our knowledge and belief we state that :
 - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit committee:
 - a. Significant changes in internal control over financial reporting during the year, if any ;
 - b. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Chand Seth

Chairman & Managing Director

Rajesh Mehra

Chief Financial Officer

Place: New Delhi

Date: May 30, 2017