PEARL
Polymers Limited

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POLYETHYLENE TEREPHTHALATE
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BOTTLES

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

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PEARL POLYMERS LIMITED

BALANCE SHEET AS AT 31st MARCH 2021

	PARTICULARS	Note No.	As at 31st Mar 2021 (Rs. in lakhs)	As at 31st March 2020 (Rs. in lakhs)
	1	2	3	4
I	**ASSETS**			
1	***Non-current assets***			
(a)	Property, Plant & Equipment	2	3,890.10	4,460.38
(b)	Capital work-in-progress	3	3.40	-
(c)	Other Intangible Assets	4	11.83	16.42
(d)	Financial Assets			
	(i) Investments	5	208.30	208.30
	(ii) Loans	6	250.83	257.67
(e)	Other Non-Current Assets	7	3.17	5.83
	Sub total Non Current Assets		**4,367.63**	**4,948.60**
2	***Current assets***			
(a)	Inventory	8	1,592.38	1,970.57
(b)	Financial Assets			
	(i) Investments	9	4.11	1.35
	(ii) Trade Receivables	10	2,656.09	3,042.04
	(iii) Cash and Cash Equivalents	11	228.96	248.08
	(iv) Loans	12	22.29	23.08
	(v) Other Financial Assets	13	14.58	16.57
(c)	Current Tax Assets (Net)	14	13.94	19.92
(d)	Other Current Assets	15	212.80	283.93
	Sub total Current Assets		**4,745.15**	**5,605.54**
	TOTAL ASSETS		**9,112.78**	**10,554.14**
II	**EQUITY AND LIABILITIES**			
1	***Equity***			
(a)	Equity Share Capital	16	1,682.68	1,682.68
(b)	Other Equity	17	720.50	1,775.77
	Sub Total Equity		**2,403.18**	**3,458.45**
2	***Non-current liabilities***			
(a)	Financial Liability			
	(i) Borrowings	18	383.85	522.22
(b)	Provisions	19	223.27	331.39
(c)	Deffered Tax Liability (Net)	20	-	-
(d)	Other Non Current Liabilities	21	57.09	72.81
	Sub total Non Current Liability		**664.21**	**926.42**
3	***Current liabilities***			
(a)	Financial Liability			
	(i) Borrowings	22	2,447.88	2,115.55
	(ii) Trade Payables	23	2,603.11	3,254.76
	(iii) Other Financial Liabilities	24	179.06	180.73
(b)	Other Current Liabilities	25	798.26	598.10
(c)	Provisions	26	17.07	20.13
	Sub total Current Liability		**6,045.38**	**6,169.27**
	TOTAL EQUITY AND LIABILITY		**9,112.78**	**10,554.14**

Significant Accounting Policies 1

The accompaying notes are an integral part of the financial statements

As per our report of even date 2-53

For Sehgal Mehta & Co.
Chartered Accountants
F.R.N: 003330N

Naresh Khanna
Partner
M.No 081482

Place: New Delhi
Dated: 30th June, 2021
UDIN:-21081482AAAACE9100

For and on behalf of the board of directors

CHAND SETH
Chairman & Managing Director
DIN-00002944

VARUN SETH
Whole Time Director
DIN-00017552

Sanjeev Rikhi
Chief Financial Officer

Vineet Gupta
Company Secretary
M.No.47642

PEARL POLYMERS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31st MARCH 2021

PARTICULARS	Note No.	For the Period ended 31.03.21 (Rs. in lakhs)	For the Year ended 31.03.20 (Rs. in lakhs)
1	2	3	4
Revenue from Operations	27	11,168.15	13,953.26
Other Income	28	360.60	251.32
Total Income (1+2)		**11,528.75**	**14,204.58**
Expenses			
(i) Cost of Materials Sold/Consumed	29	6,281.81	8,174.70
(ii) Purchase of stock in trade	30	74.21	342.04
(iii) Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	31	254.07	108.19
(iv) Employees Benefits Expnese	32	1,532.86	1,595.33
(v) Finance Costs	33	410.49	418.28
(vi) Depreciation and Amortization Expense	34	592.29	637.39
(vii) Other Expenses	35	3,440.64	4,175.43
Total Expenses (4)		**12,586.37**	**15,451.36**
Profit/(loss) before exceptional items and tax (3-4)		(1,057.62)	(1,246.78)
Exceptional Items		-	-
Profit/(loss) before tax (5-6)		**(1,057.62)**	**(1,246.78)**
Tax Expenses:			
(i) Current Tax		-	-
(ii) Deferred Tax		-	(131.90)
(iii)Tax adjustment for earlier year		-	-
Profit (Loss) for the period from continuing operations (7-8)		**(1,057.62)**	**(1,114.88)**
Profit/(loss) from discontinued operations		-	-
Tax expense of discontinued operations		-	-
(10-11)		-	-
Profit/(loss) for the period (9+12)		**(1,057.62)**	**(1,114.88)**
Other Comprehensive Income		2.35	32.12
A (i) Items that will not be reclassified to profit or loss		2.35	32.12
(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		-	-
Total Comprehensive Income for the period (13+14) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		**(1,055.27)**	**(1,082.76)**
Earnings per equity share (for continuing operation):			
(i) Basic		(6.29)	(6.63)
(ii) Diluted		(6.29)	(6.63)
Earnings per equity share (for discontinued operation):			
(i) Basic		0.00	0.00
(ii) Diluted		0.00	0.00
Earnings per equity share (for discontinued & continuing operation):	36		
(i) Basic		(6.29)	(6.63)
(ii) Diluted		(6.29)	(6.63)

Significant Accounting Policies 1

The accompaying notes are an integral part of the financial statements

As per our report of even date 2-53

For Sehgal Mehta & Co.
Chartered Accountants
F.R.N: 003330N

Naresh Khanna
Partner
M.No 081482

Place: New Delhi
Dated: 30th June, 2021
UDIN:-21081482AAAACE9100

For and on behalf of the board of directors

CHAND SETH
Chairman & Managing Director
DIN-00002944

VARUN SETH
Whole Time Director
DIN-00017552

SanjeevRikhi
Chief Financial Officer

Vineet Gupta
Company Secretary
M.No.47642

PEARL POLYMERS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

		For the year Ended March 31, 2021 (Rs. in lakhs)	For the year Ended March 31, 2020 (Rs. in lakhs)
A.	**Cash flow from operating activities:**		
	Net profit / (loss) before tax	**(1057.62)**	(1246.78)
	Adjustments for :		
	Depreciation/Amortisation	**592.29**	637.38
	Interest Expense	**410.49**	418.28
	Interest Income	**(20.93)**	(46.48)
	Actuarial Gain routed through OCI	**2.35**	32.12
	(Profit)/loss on sale of assets	**(176.77)**	(123.91)
	(Profit)/loss on revaluation of Investments	**(2.76)**	1.36
	Operating profit before working capital changes	**(252.95)**	(328.03)
	Adjustments for changes in working capital :		
	- (Increase)/Decrease in Sundry Debtors	**385.96**	1309.11
	- (Increase)/Decrease in Other Receivables	**153.27**	(26.50)
	- (Increase)/Decrease in Inventories	**378.19**	273.06
	- Increase/(Decrease) in Trade and Other Payables	**(568.36)**	(832.90)
	Cash generated from operations	**96.11**	394.73
	- Taxes (Paid) / Received	**5.98**	8.04
	Net cash from operating activities (a)	**102.09**	402.77
B.	**Cash flow from Investing activities:**		
	Purchase of fixed assets		
	Additions during the period	**(88.51)**	(191.25)
	Proceeds from Sale of fixed assets	**244.46**	178.78
	Interest Received (Revenue)	**22.91**	44.92
	Net cash used in investing activities (b)	**178.86**	32.45
C.	**Cash flow from financing activities:**		
	Proceeds from long term borrowings(Net)	**53.72**	51.44
	Proceeds from Short Term Borrowing	**139.79**	(76.56)
	Interest Paid	**(421.74)**	(409.40)
	Net cash used in financing activities (c)	**(228.23)**	(434.52)
	Net Increase/(Decrease) in Cash & Cash Equivalents (a+b+c)	**52.72**	0.70
	Cash and cash equivalents as at 01.04.2020	**45.45**	44.75
	Cash and cash equivalents as at 31.03.2021	**98.17**	45.45
	Cash and cash equivalents comprise		
	Cash in hand	**1.19**	11.17
	Balance with Scheduled Banks	**96.98**	34.28
		98.17	45.45

Notes :

1 The above Cash flow statement has been prepared under the indirect method set out in Ind AS-7 notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

2 Figures in brackets indicate cash outgo.

3 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

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

On Behalf of the Board

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

CHAND SETH
Chairman & Managing Director
DIN-00002944

VARUN SETH
Whole Time Director
DIN-00017552

NARESH KHANNA
Partner
Membership No. 081482
Place: New Delhi
Dated: 30th June, 2021
UDIN:-21081482AAAACE9100

Sanjeev Rikhi
Chief Financial Officer

Vineet Gupta
Company Secretary
M.No.47642

PEARL POLYMERS LIMITED

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2021

A. EQUITY SHARE CAPITAL (Rs. in Lakhs)

Particulars	As at year ended 31.03.2021	As at year ended 31.03.2020
Balance at the beginning of the year	1682.68	1682.68
Addition/(Deletion) during the year	-	-
Balance at the end of the year	**1682.68**	**1682.68**

B. OTHER EQUITY (Rs. in Lakhs)

Particulars	Reserve and Surplus					Other comprehensive income	Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Retained Earnings		
Balance as at 31st March, 2019	144.72	1,733.00	1,868.27	147.42	(1,102.57)	67.69	2,858.53
Profit for the year 2019-20	-	-	-	-	(1,114.88)	32.12	(1,082.76)
Balance as at 31st March, 2020	**144.72**	**1,733.00**	**1,868.27**	**147.42**	**(2,217.45)**	**99.81**	**1,775.77**
Profit for the year 2020-21	-	-	-	-	(1,057.62)	2.35	(1,055.27)
Balance as at 31st March, 2021	144.72	1,733.00	1,868.27	147.42	(3,275.07)	102.16	720.50

Significant Accounting Policies 1

The accompaying notes are an integral part of the financial statements

As per our report of even date 2-53

For Sehgal Mehta & Co.
Chartered Accountants
F.R.N: 003330N

For and on behalf of the board of directors

CHAND SETH
Chairman & Managing Director
DIN-00002944

VARUN SETH
Whole Time Director
DIN-00017552

Naresh Khanna
Partner
M.No 081482

Sanjeev Rikhi
Chief Financial Officer

Vineet Gupta
Company Secretary
M.No.47642

Place: New Delhi
Dated: 30th June, 2021
UDIN:-21081482AAAACE9100

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021

1. COMPANY OVERVIEW

Pearl Polymers Limited is a listed company incorporated and domiciled in India and has its principal place of business at A-97/2, Okhla Industrial Area, Phase-II, New Delhi-110020.The Company is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The principal business of the company is manufacturing and trading of PET Jars and Bottles. The financial statements are approved for issue by the company's board of directors on **June 30, 2021**.

2. SIGNIFICANT ACCOUNTING POLICIES

I. Basis of preparation and presentation of financial statements

A. Basis of preparation of financial statements

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

B. Statement of compliance with Ind-As

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

C. Basis of Measurement

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

D. Use of Estimates and Judgments.

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

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

i. **Income Taxes:** The Company's tax jurisdiction is India. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

ii. **Provisions and Contingencies:** The assessments undertaken in recognizing the provisions and contingencies have been made in accordance with Ind-AS 37, 'Provisions, Contingent Liabilities and Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could after.

iii. **Post-Employment benefit plan:** Employee benefits obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increase and the inflation rate. The company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

iv. **Other estimates:** The preparation of standalone financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of standalone financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analysing historical payment patterns etc.

E. Functional and Presentation Currency

Items included in the standalone financial statements of the company are measured using Indian Rupee (Rs.) which is the functional currency of the company and the currency of the primary economic environment in which the entity operates. The presentation currency of the company is also Indian Rupee (Rs.) (rounded off to Rs. lakhs up to two decimals)

II. Summary of significant accounting policies

A. Financial Instruments

i. Financial Assets

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

Initial recognition and measurement

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

Subsequent Measurement

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

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

De-recognition of financial assets

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

Impairment of financial assets

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

- **Trade receivables**

An impairment analysis is performed at each reporting date. The expected credit losses over lifetime of the asset are estimated by adopting the simplified approach using a provision matrix which is based on historical loss rates reflecting current condition and forecasts of future economic conditions. The company estimates the following provision matrix at the reporting date:

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

- **Other financial assets**

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

ii. Financial liabilities

Financial liabilities comprise trade payables and other eligible liabilities.

Initial recognition and measurement

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

Subsequent measurement

- **Financial liabilities at amortized cost:** The Company has classified the following under amortized cost:
  a) Trade payables
  b) Other eligible financial liabilities

  Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the cumulative amortization using the effective interest rate (EIR) method of any difference between that initial amount and the maturity amount.
- **Financial liabilities at fair value through profit or loss (FVTPL):** Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

  Financial liabilities designated upon initial recognition at fair value through profits or losses are designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ 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.

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

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

iv. Reclassification of financial assets

The Company determines the classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are categorized as equity instruments at FVTOCI and financial assets or financial liabilities that are specifically designated 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.

B. Inventories

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

C. Property, Plant and Equipment

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

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

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

Subsequent costs

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

Depreciation

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

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

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

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

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

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

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

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

D. Intangible assets

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

Amortization of Intangible assets

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

E. Investment property

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

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

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

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

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

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

F. Investments in subsidiaries and associates

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

G. Foreign currency transactions and balances

Transactions in foreign currencies are initially recognized in the standalone financial statements using exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the relevant functional currency at the exchange rates prevailing at the reporting date. Non- monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate prevailing on the date that the fair value was

determined. Non- monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Foreign currency differences arising on translation are recognized in the Statement of Profit and Loss for determination of net profit or loss during the period.

H. Borrowing costs

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

I. Leases

Operating leases

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

J. Deposits provided to lessor

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

K. Revenue

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

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

L. Impairment of non-financial assets

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

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

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

Reversal of impairment loss

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

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

M. Earnings per share (EPS)

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

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

date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

N. Cash and cash equivalents

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

For the purpose of Statement of Cash Flows, cash and cash equivalents comprise cash on hand, cash at banks, demand deposits, short-term deposits with balance maturity of three months or less from the balance sheet date and other short term investments, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

O. 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.

P. Provisions & Contingencies

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

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

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

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

Q. Income Taxes

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

Current Tax

Current tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those

that are enacted or substantively enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

Deferred Tax

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

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

Deferred tax liabilities are recognized for all taxable temporary differences.

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

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

PEARL POLYMERS LIMITED

2A. PROPERTY, PLANT AND EQUIPMENT

Rs. In lakhs

The following table shows changes in Property, Plant and Equipment during the year ended 31st March 2021

	Land Freehold	Land Leasehold	Building	Plant & Machinery	QC Equipment	Electrical Insttalation	Moulds	Furniture & Fixtures	Office Equipments	Vehicles	Computers	Total
Cost or Valuation												
As at 1.4.2020	**90.80**	**151.42**	**1,265.01**	**3,527.25**	**0.30**	**155.92**	**1,448.56**	**40.78**	**33.36**	**151.49**	**27.63**	**6,892.52**
Additions	-	-	-	5.44	-	-	74.54	-	2.27	-	0.86	83.11
Branch Trf (Received)	-	-	-	172.51	-	-	171.98	-	-	-	-	344.50
Disposals	-	-	(54.54)	(1.24)	-	-	(19.14)	(2.24)	-	(0.31)	-	(77.47)
Branch Trf (Send)	-	-	-	(172.51)	-	-	(171.98)	-	-	-	-	(344.50)
As at 31.03.2021	**90.80**	**151.42**	**1,210.47**	**3,531.46**	**0.30**	**155.92**	**1,503.96**	**38.53**	**35.63**	**151.18**	**28.49**	**6,898.16**
Depreciation												
As at 1.4.2020	**-**	**6.83**	**235.74**	**1,554.16**	**0.01**	**58.42**	**443.35**	**16.14**	**19.66**	**75.55**	**22.28**	**2,432.14**
Charges for the year	-	1.66	57.64	349.60	0.06	13.63	138.46	3.75	4.44	14.62	1.85	585.70
Branch Trf -Received	-	-	-	75.07	-	-	62.60	-	-	-	-	137.67
Disposals	-	-	(5.91)	(0.93)	-	-	(1.06)	(1.87)	-	(0.01)	-	(9.79)
Branch Trf (Send)	-	-	-	(75.07)	-	-	(62.60)	-	-	-	-	(137.67)
As at 31.03.2021	**-**	**8.49**	**287.46**	**1,902.83**	**0.06**	**72.05**	**580.74**	**18.02**	**24.11**	**90.15**	**24.13**	**3,008.05**
Net Block												
As at 31.03.2021	**90.80**	**142.93**	**923.00**	**1,628.63**	**0.23**	**83.87**	**923.21**	**20.51**	**11.52**	**61.03**	**4.36**	**3,890.11**
As at 31.3.2020	90.80	144.59	1,029.27	1,973.09	0.29	97.50	1,005.21	24.63	13.70	75.95	5.35	4,460.38

3A. CAPITAL WORK IN PROGRESS

The following table shows change in Capital Work in Progress during the year ended 31st March 2021

Particulars	Capital work in progress
As at 1.4.2020	-
Addition	3.40
Amount transferred from CWIP	-.00
As at 31.03.2021	3.40

4A. INTANGIBLE ASSETS

Particulars	Software	Total
Gross Carrying value		
As at 1.4.2020	**33.54**	**33.54**
Addition	2.00	2.00
Deletions	-	-
As at 31.03.2021	**35.54**	**35.54**
Amortization		
As at 1.4.2020	**17.12**	**17.12**
Charges for the year	6.59	6.59
Deletions	-	-
As at 31.03.2021	**23.72**	**23.72**
Net Carrying Value		
As at 31.03.2021	**11.83**	**11.83**
As at 31.3.2020	16.42	16.42

PEARL POLYMERS LTD

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st March 2021

NON CURRENT ASSETS

	Particulars	As at 31st March 2021		As at 31st March 2020	
2	***Property Plant & Equipment***				
	Property, Plant & Equipment		3,890.10		4,460.38
	Total Property Plant & Equipment		**3,890.10**		**4,460.38**

	Particulars	As at 31st March 2021		As at 31st March 2020	
3	***Capital work in progress***				
	Capital work in progress		3.40		-
	Total Capital work in progress		3.40		-

	Particulars	As at 31st March 2021		As at 31st March 2020	
4	***Other Intangible Assets***				
	Other Intangible Assets		11.83		16.42
	Total Other Intangible Assets		**11.83**		**16.42**

FINANCIAL ASSETS

5	Investments	As at 31st March 2021		As at 31st March 2020	
	Investments at fair value through OCI (Fully paid)				
	Investment in Associates				
	Investment in Preference Shares-Unquoted				
	i) 84,500 (Previous Year -84,500) 6% Redeemable Non-Cumulative Preference Shares of Rs.100/- each of Pacific Pearl Finance & Leasing Ltd		84.50		84.50
	ii) 7,06,000 Preference Shares (Previous Year -7,06,000) of Rs.100/- each in Pearl Engineering Polymers Ltd.		55.92		55.92
	Investment in Equity Shares-Unquoted				
	i) 54,92,960 Equity Shares (Previous Year - 54,92960) Equity Shares of Rs.10/- each in Pearl Engineering Polymers Ltd.		67.01		67.01
	Investment in Equity Shares-Quoted				
	i) 27,450 (Previous Year 27,450) Equity Shares of Rs.10/- each in Pearl Apartments Ltd.		0.87		0.87
	Total Investments		**208.30**		**208.30**
	Aggregate market value of Quoted Investments		113.07		113.07
	Aggregate amount of Quoted Investments		0.87		0.87
	Aggregate amount of Unquoted Investments		207.43		207.43

6	*Loans*	As at 31st March 2021		As at 31st March 2020	
	Security Deposits-unsecured-considered good				
	- Considered Good	250.83		257.67	
	- Less Provision for Doubtful	-	250.83	-	257.67
	Total Loans		**250.83**		**257.67**

7	*Other Non Current Assets*	As at 31st March 2021		As at 31st March 2020	
	Vat Recoverable		0.37		0.37
	Prepaid Expenses		2.75		5.46
	Other advances	4.74		4.69	
	Less: Provision for doubtful advances	(4.69)	0.05	(4.69)	0.00
	Total Other Non Current Assets		**3.17**		**5.83**

CURRENT ASSETS

8	Inventories	As at 31st March 2021		As at 31st March 2020	
	Raw Materials		432.66		358.98
	Raw Materials in transit		-		98.34
	Finished Goods and Accessories		717.03		895.02
	Semi-finished Goods		45.83		73.70
	Packing Materials		122.99		142.02
	Packing Materials in transit		-		0.45
	Stores & Spares		148.33		227.59
	Spares in Transit		-		0.72
	Finished Goods in transit		7.72		0.79
	Stock in Trade		117.82		172.96
	Total Inventories		**1,592.38**		**1,970.57**

FINANCIAL ASSETS

9	Investments	As at 31st March 2021		As at 31st March 2020	
	Investments at fair value through OCI (Fully paid)				
	Others				
	i) 2,000 (Previous Year 2,000) Equity Shares of Rs.10/-				

in Valliant Communications Ltd.		1.35		0.37
ii) 3,300 (Previous Year 3,300) Equity shares of Rs..10/- each of Pasupati Fincap Ltd.		0.03		0.03
iii)100 (Previous Year 100) Equity shares of Rs.10/- each of Prism Cement Ltd.		0.13		0.03
iv) 5,000 (Previous Year 5,000) Equity shares of Rs.10/- each of Master Trust Ltd.		2.37		0.66
v) 600 (Previous Year 600) Equity shares of Rs.10/- each of Dion Global Solutions Ltd		0.01		0.01
vi) 5,900 (Previous Year 5,900) Equity shares of Rs.10/- each of Market Creator Ltd.		0.22		0.25
Total Investments		**4.11**		**1.35**

10	***Trade Receivables***	**As at 31st March 2021**		As at 31st March 2020	
	Unsecured considered good		2,656.09		3,042.04
	Unsecured considered doubtful		159.04		159.04
			2,815.13		3,201.08
	Less: Provision for Doubtful Debts		(159.04)		(159.04)
	Total Trade Receivables		**2,656.09**		**3,042.04**

11	***Cash and Cash Equivalents***	**As at 31st March 2021**		As at 31st March 2020	
	Balances with Banks				
	- Current account	96.98		34.28	
	Cash in hand	1.19		11.17	
	Deposits with Original Maturity for more than 3 months but less than 12 months (Margin Money)	130.79		202.63	
			228.96		248.08
	Total Cash and Cash Equivalents		**228.96**		**248.08**

12	***Loans***	**As at 31st March 2021**		As at 31st March 2020	
	Security Deposits-secured-considered good		22.29		23.08
	Total Loans		**22.29**		**23.08**

13	***Other Financial Assets***	**As at 31st March 2021**		As at 31st March 2020	
	Interest Receivables		14.58		16.57
	Total Other Financial Assets		**14.58**		**16.57**

14	***Current Tax Assets (Net)***	**As at 31st March 2021**		As at 31st March 2020	
	Income tax advances (net of tax liability)		13.94		19.92
	Total Current Tax Assets (Net)		**13.94**		**19.92**

15	***Other Current Assets***	**As at 31st March 2021**		As at 31st March 2020	
	Advances Recoverable from Related Parties-Unsecured-considered good				
	Balances with GST,excise and custom authorities		60.60		103.49
	Prepaid Expenses		17.65		28.97
	Tour & Other advances to Staff		9.00		19.61
	Capital Advances-unsecured-considered good		69.01		22.32
	Advance to supplier		34.25		68.07
	Discounts Receivable		1.33		3.56
	Others		20.96		37.91
	Total Other Current Assets		**212.80**		**283.93**

EQUITY AND LIABILITIES

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2021

16 EQUITY SHARE CAPITAL

Particulars	**As at 31st March 2021**		As at 31st March 2020	
AUTHORISED				
3,00,00,000(Previous Year-3,00,00,000) Equity shares of Rs.10/- each		3,000.00		3,000.00
20,00,000(Previous Year-20,00,000) Non Cumulative Redeemable Preference Shares of Rs.100/- each		2,000.00		2,000.00
Total Authorised Capital		**5,000.00**		**5,000.00**
ISSUED, SUBSCRIBED & FULLY PAID UP				
168,34,932(Previous Year 168,34,932) Equity shares of `10/-each.	1,683.49		1,683.49	
Less : Calls in Arrears	(0.81)	1,682.68	(0.81)	1,682.68
Total issued, subscribed and paid-up capital		**1,682.68**		**1,682.68**

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

Particulars	No. of Shares	Amount
As at 31st March 2020	16,834,932	168,349,320
Add/(less): Issued/(redeemed) during the year	-	-
As at 31st March 2021	16,834,932	168,349,320

(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 2020		
Mr. Chand Seth	11.53	6.85%
Pearl Telefonics Ltd. (formaly known as Sinclair Exports Ltd.)	23.28	13.83%
Pacific Pearl Finance & Leasing Ltd.	12.36	7.34%
Theta Investments Pvt Ltd	20.64	12.26%
As at 31st March 2021		
Mr. Chand Seth	12.39	7.36%
Pearl Telefonics Ltd. (formaly known as Sinclair Exports Ltd.)	23.28	13.83%
Pacific Pearl Finance & Leasing Ltd.	12.36	7.34%
Theta Investments Pvt Ltd	20.64	12.26%

17	OTHER EQUITY	As at 31st March 2021	As at 31st March 2020
	(a) Reserve and Surplus		
	Capital Reserve		
	Balance at the commencement of the year	144.72	144.72
	Add: Addition/(deletion) during the year	-	-
	Balance at the end	**144.72**	**144.72**
	Capital Redemption Reserve		
	Balance at the commencement of the year	1,733.00	1,733.00
	Add: Addition/(deletion) during the year	-	-
	Balance at the end	**1,733.00**	**1,733.00**
	Securities Premium Reserve		
	Balance at the commencement of the year	1,868.27	1,868.27
	Add: Addition/(deletion) during the year	-	-
	Balance at the end	**1,868.27**	**1,868.27**
	General Reserve		
	Balance at the commencement of the year	147.42	147.42
	Add: Addition/(deletion) during the year	-	-
	Balance at the end	**147.42**	**147.42**
	Retained Earnings		
	Balance at the commencement of the year	(2,217.45)	(1,102.57)
	Add: Profit/(loss) during the year	(1,057.62)	(1,114.88)
	Balance at the end	**(3,275.07)**	**(2,217.45)**
	Total (a)	**618.34**	**1,675.96**
	(a) Other Components of Equity		
	Remeasurement of net defined benefit plan		
	Balance at the commencement of the year	99.81	67.69
	Add: Profit/(loss) during the year	2.35	32.12
	Balance at the end	**102.16**	**99.81**
	Total (a)	**102.16**	**99.81**
	Total (a+b)	**720.50**	**1,775.77**

NON CURRENT LIABILITIES

FINANCIAL LIABILITIES

18	*Borrowings*	As at 31st March 2021	As at 31st March 2020
	Term Loans from Other Parties (secured)	-	183.33
	Vehicle Loans from Banks (secured)	7.94	18.95
	Other loans and advances		
	Loan from Directors (unsecured)	375.91	319.94
	Total Borrowings	**383.85**	**522.22**

I Term Loans

(i) Term Loan of Rs. Nil (Previous Year Rs. 77.98 lakhs) was secured by way of first charge on immovable property situated at Baddi (Himanchal Pradesh). The above said loan is furthersecured by personal guarantees of Mr. Chand Seth and Mr. Varun Seth, Directors of the Company. This loan has been paid fully in the month of October'2021.

(ii) Term Loan of Rs. Nil (Previous Year Rs. 144.53 lakhs) was secured by way of exclusive charge on some plant & machineries installed at Company's all units and also have nagetive lien over the property being industrial land & building situated at Baddi (Himanchal Pradesh). The above said loan was further secured by personal guarantee of Mr. Chand Seth & Mr. Varun Seth, Directors of the Company. This loan has been fully pre-paid in the month of November'2021.

(iii) Term Loan of Rs. Nil (Previous Year Rs. 172.59 lakhs) was secured by way of exclusive charge on some plant & machineries installed at Company's Mahad, Baddi & Jigani units and also have nagetive lien over the property being industrial land & building situated at Baddi (Himanchal Pradesh). The above said loan was further secured by personal guarantee of Mr. Chand Seth & Mr. Varun Seth, Directors of the Company. This loan has been fully pre-paid in the month of November'2021.

II Vehicles Loans

Vehicle loans of Rs.18.96 lakhs (Previous Year Rs. 29.85 lakhs) are secured against hypothecation of respective vehicles. Repayments - in monthly installment till 01.04.2023

Repayments of above Vehicles Loans are as follows:

(i) From 0 to 1 years - Rs. 11.02 lakhs

(ii) From 1 to 2 years - Rs. 7.52 lakhs

(iii) From 2 to 3 years - Rs.0.42 lakhs

NON FINANCIAL LIABILITIES

19	***Provisions***	**As at 31st March 2021**		As at 31st March 2020	
	Provision for Employees Benefits				
	Gratuity		177.14		267.55
	Leave Encashment (Refer note No. 48)		46.13		63.84
	Total Provisions		**223.27**		**331.39**

20	**Deferred Tax Liability (Net)**	**As at 31st March 2021**		As at 31st March 2020	
	Deferred Tax				
	Assets				
	Provision for Doubtful Debt and Advances		41.35		41.35
	Provision for Leave Encashment		16.43		21.83
	Gratuity		46.06		69.56
	Unabsorbed Depreciation		400.49		380.49
	Bonus		4.69		6.38
			509.02		**519.61**
	Liabilities				
	Depreciation		509.02		519.61
			509.02		**519.61**
	Total Deferred Tax Liability (Net)		**-**		**-**

21	**Other Non Current Liabilities**	**As at 31st March 2021**		As at 31st March 2020	
	Others				
	Security Deposits Received		57.09		72.81
	Total Other Non Current Liabilities		**57.09**		**72.81**

CURRENT LIABILITIES

FINANCIAL LIABILITIES

22	***Borrowings***	**As at 31st March 2021**		As at 31st March 2020	
	Term Loans from Other Parties (secured)		-		211.72
	Vehicle Loans from Banks (secured)		11.02		10.90
	Working Capital Loans (secured)		1,816.22		1,676.43
	Loans (ICD) (unsecured)		620.64		216.50
	Total Borrowings		**2,447.88**		**2,115.55**

23	***Trade Payables***	**As at 31st March 2021**		As at 31st March 2020	
	Creditors for Raw materials		1,907.26		2,238.52
	Due to Micro and Small Enterprises*	2.63		2.97	
	Others	1,904.63		2,235.55	
	Creditors for Capital Goods		21.78		82.20
	Creditors for Other Service		674.07		934.04
	*(Refer Note No. 49 for details of dues to Micro & Small Enterprises)				
	Total Trade Payables		**2,603.11**		**3,254.76**

24	***Other Financial Liabilities***	**As at 31st March 2021**		As at 31st March 2020	
	Interest accrued but not due		6.81		18.06
	Employee benefits payable				
	-Bonus Payable		18.05		24.55
	-Exgratia Payable		2.93		8.65
	-EPF Payable		6.23		15.30
	-ESI Payable		3.61		4.81
	-LTA Payable		10.27		8.11
	-Professional Tax Payable		0.14		0.41
	-Salay Payable		99.83		97.52
	-Directors Remuneration Payable		31.19		3.31
	Total Other Financial Liabilities		**179.06**		**180.73**

NON FINANCIAL LIABILITIES

25 *Other Current Liabilities*	As at 31st March 2021	As at 31st March 2020
ILC Interest payable	4.22	2.34
Additional Goods Tax Payable	0.71	1.11
Expenses Payable	164.14	283.90
Sales Tax/VAT Payable	2.96	4.29
GST Payable	51.55	108.96
TDS Payble	17.22	13.71
Wages Payable	0.40	0.40
Unclaimed Matured Deposits	-	0.45
Staff Advance	21.38	9.84
Pearl Employees Thrift Society	3.89	20.05
Stale Cheque	-	0.62
Relief Fund	0.73	0.73
Advance Received from customers	269.13	150.05
LIC Recoveries	0.08	0.13
Other Payables	261.85	1.52
Total Other Current Liabilities	**798.26**	**598.10**

26 *Provisions*	As at 31st March 2021	As at 31st March 2020
Provision for Employees Benefits		
Leave Encashment (Refer Note No. 48)	17.07	20.13
Total Provisions	**17.07**	**20.13**

27 **Revenue from Operations**	As at 31st March 2021	As at 31st March 2020
Sale of products	11,036.68	13,807.66
Other operating revenues	131.47	145.60
Total Revenue from Operations	**11,168.15**	**13,953.26**

28 *Other Income*	As at 31st March 2021	As at 31st March 2020
Interest income on		
Bank Deposits	8.21	13.13
Security Deposits	11.57	16.39
Others	1.16	16.96
Rent Received	-	2.16
Exchange Rate Difference	23.44	-
Net gain/loss on revaluation of investments	2.76	-
Insurance Claims Received	2.68	1.79
Balances written back	104.65	41.47
Profit on sale of Fixed Assets	176.77	123.91
Discount Scheme (Trade)	1.27	-
Mould Development charges	22.69	4.17
Misc Income	5.40	31.34
Total Other Income	**360.60**	**251.32**

29 *Cost of Raw Materials Consumed*	As at 31st March 2021		As at 31st March 2020	
Raw Materials				
Inventory at the beginning of the year	457.32		562.11	
Add: Purchase	5,326.77		7,016.49	
Less: Inventory at the end of the year	432.67	5,351.42	457.32	7,121.28
Packing Materials				
Inventory at the beginning of the year	142.47		196.54	
Add: Purchase	631.30		708.21	
Less: Inventory at the end of the year	122.99	650.78	142.47	762.28
Direct Purchase				
Pet Preforms	107.55		93.88	
Pet Bottles & Jars	-		10.49	
Caps/Wads	172.06	279.61	186.77	291.14
Total Cost of Raw Materials Consumed		**6,281.81**		**8,174.70**

Particulars of Raw Materials consumed	**Value Rs. in lakhs Mar 31, 2021**	Value Rs. in lakhs March 31, 2020
Pet Chips	4,366.09	5,930.58
Polyproplene	857.15	1,075.59
Other	128.18	115.11
	5,351.42	**7,121.28**

30	*Purchase of Traded goods*	As at 31st March 2021		As at 31st March 2020	
	Pet Bottles & Jars		13.16		16.56
	Others		61.05		325.48
			74.21		**342.04**

31	*Changes in inventories of Finished Goods, Stock in Process and Stock*	As at 31st March 2021		As at 31st March 2020	
	Inventory at the beginning of the year				
	Finished goods and Accessories	895.81		1,098.90	
	Stock in Trade	172.96		46.38	
	Semifinished goods	73.70	1,142.47	105.38	1,250.66
	Inventory at the end of the year				
	Finished goods and Accessories	(717.03)		(895.81)	
	Stock in Trade	(117.82)		(172.96)	
	Semifinished goods	(53.55)	(888.40)	(73.70)	(1,142.47)
			254.07		**108.19**

32	*Employee benefit Expenses*	As at 31st March 2021		As at 31st March 2020	
	Salary, Wages, Bonus & Other Allowance		1,405.82		1,431.96
	Contribution to P.F, ESI & other Funds		102.42		122.02
	Staff Welfare expenses		24.62		41.35
	Total Employee benefit Expenses		**1,532.86**		**1,595.33**

33	*Finance Costs*	As at 31st March 2021		As at 31st March 2020	
	Interest Expenses		361.53		355.01
	Other Borrowing Cost		48.96		63.27
	Total Finance Cost		**410.49**		**418.28**

34	*Depreciation and Amortization*	As at 31st March 2021		As at 31st March 2020	
	Depreciation		585.70		630.57
	Amortization		6.59		6.82
	Total Depreciation and Amortization		**592.29**		**637.39**

35	*Other Expenses*	As at 31st March 2021		As at 31st March 2020	
	Consumption of Stores & Spares		311.75		240.18
	Freight, Octroi & Cartage		351.70		493.53
	Power and Fuel		1,415.60		1,741.77
	Electricity & Water Charges		14.86		26.19
	Advertisement, Publicity & Selling expenses		104.55		127.64
	Printing, Stationery, Postage, Telephone & Telex		24.55		42.90
	Rent		81.32		77.59
	Repairs & Maintenance				
	- Building		13.07		13.50
	- Machinery		46.80		57.61
	- Others		33.17		40.89
	Insurance		32.05		31.56
	Rates & Taxes		19.22		23.38
	Commission		3.86		7.12
	Conveyance & Travelling expenses		64.56		170.88
	Legal & Professional Fees		119.47		113.88
	Payment to Auditors (Refer details below)		41.52		28.02
	Exchange Rate Fluctuation (Net)		-		74.69
	Donations		0.37		0.67
	Director's Sitting fees		0.60		0.40
	Sales Tax Additional Demand		10.39		8.92
	Bad debts written off		0.15		30.76
	Loss on revaluation of Investments		-		1.36
	Advances written off		13.43		0.38
	Wages Contractors		557.91		605.21
	Security Expense		76.68		87.22
	Hire Charges		5.20		3.36
	Miscellaneous expenses		33.77		50.41
	Job work/Processing charges		64.09		75.41
	Total Other Expenses		**3,440.64**		**4,175.43**

Payment to Auditors		**Statutory Auditors**		Statutory Auditors
Audit Fees				
Fee as Auditors		30.72		15.72
Tax Audit Fee		4.30		6.30

Fee for Other Services*		6.50		6.00
Total Payment to Auditors		**41.52**		**28.02**

*Fees for Other Services primerily includes certification fees paid to auditors.

36 Earning per share (EPS)

	2020-21	2019-20
The following reflects the basic and diluted EPS computations :		
Total operations for the year	**(Rs. in lakhs)**	**(Rs. in lakhs)**
Net Profit/(Loss) for allocation of basic EPS	(1,057.62)	(1,114.88)
	(No. in lakhs)	**(No. in lakhs)**
Weighted average number of equity shares in calculating basic EPS	168.35	168.35
Basic Earning per share (Rs.)	**(6.28)**	**(6.62)**
Total No of weighted average Equity Shares including diluted potential Equity Shares outstanding during the year	168.35	168.35
Diluted Earning per share (Rs.)	**(6.28)**	**(6.62)**

	2020-21	2019-20
37 Estimated amount of contracts remaining to be executed on Capital account and not provided for (Net of Advances)	**(Rs. in lakhs) 36.12**	**(Rs. in lakhs)** 21.59

	2020-21	2019-20
38 Contingent Liabilities	**(Rs. in lakhs)**	**(Rs. in lakhs)**
In respect of guarantees executed by Banks against lodgment of counter guarantees of the Company	74.45	74.45
* Provided by way of Margin Money Rs. 18.61 lakhs (Previous Year Rs. 18.61 lakhs)		
In respect of demands for Excise Duty *	367.37	367.37
* includes:		
The Company had received for its unit at Mahad show cause notice from:-		
Dy. Commissioner of Central Excise. Mahad Division issued SCN for producing & clearing both dutiable and non dutiable product under Notification No. 4/1997 Dated 01.03.1997 for Rs. 360.59 lakhs for the period from March 1997 to June 1997. It appears that Appeal of department is set aside by CESTAT and department has filed appeal before Supreme Court in same matter for earlier period. This case was in call book and has been heard now by Commissioner of Central Excise, Raigad on 11.12.2013 and order is awaited.		
Joint Commissioner of Central Excise has given notice fir for excess availment of cenvat credit on the supply of pet chips by SOUTH ASIAN PETRO CHEM. against invoices from 16.07.2004 to 14.08.2004. Duty recoverable Rs. 7,18,752/- (duty Rs.704659/- + EC Rs.14093/-). Department has filed Appeal before CESTAT against dropping of Ed Cess of Rs. 14,093/-. Entire duty demanded has been paid on receipt of notice, hence liability is restricted to penalty at Rs.500000/- and ED Cess at Rs.14093/- only.		
Asst. Commissioner has issued show cause notice relating to supplementary invoices raised from January 2001 to April 2003 and payment of differential duty by the Company. Demand of Rs. 40,000/- approx raised by the department for delay in payment of differential duty.		
State Tax Officer, Anti Evasion Bureau, Bhopal has seized the vehicle due to Place of delivery wrongly mentioned in E-Way bill and passed order no.407 dated 14/03/2019 demanding a tax of Rs.62180/- and penalty of Rs.62180/-. The Company has filed an appeal against the said order before Appeal Commissioner of Goods and Service Tax, Bhopal.		

	2020-21	2019-20
39 Value of imports calculated on CIF basis	**(Rs. in lakhs)**	**(Rs. in lakhs)**
Raw Materials	**1,718.94**	2,595.93

	2020-21	2019-20
40 Expenditure in foreign currency (accrual basis)	**(Rs. in lakhs)**	**(Rs. in lakhs)**
Others	**-**	9.38

	2020-21	2019-20
41 Earnings in foreign currency (accrual basis)	**(Rs. in lakhs)**	**(Rs. in lakhs)**
Exports at F.O.B Value - Finished Goods	**120.64**	121.50

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

Particulars	2020-21		2019-20	
	In Foreign Currency	**Rs. in lakhs**	In Foreign Currency	Rs. in lakhs
Trade Receivable				
USD	**17,852**	**13.06**	-	-
Trade Payable				
USD	**1,165,320**	**515.96**	1,116,014	841.14

43 Imported and Indigenous Raw Materials, Components and Spare parts consumed	% of Total Consumption	Value Rs. in lakhs	% of Total Consumption	Value Rs. in lakhs
Raw Materials				
Imported	**27**	**1,695.44**	36	2,948.23
Indigenously obtained	**73**	**4,586.45**	64	5,226.47
	100	**6,281.89**	100	8,174.70
Spare parts & Components				
Imported	**-**	**-**	-	-
Indigenously obtained	**100**	**311.75**	100	240.18
	100	**311.75**	100	240.18

44 Purchases are net of incentives received.

45 Related party disclosures

Name of relative parties and related party relationship

Key Management Personnel

Mr.Chand Seth - Chairman & Managing Director

Mr.Varun Seth - Whole Time Director

Mr. Ramesh Mehra - Whole Time Director

Relatives of Key Management personnel and their enterprises where transactions have taken place

Mrs. Suneeta Seth

Mr. Amit Seth

Mr. Udit Seth

Related parties where control exists

Pearl Flats India Ltd

Pacific Pearl Finance & Leasing Ltd

Pearl Telefonics Ltd (Formerly Sinclair Exports Ltd)

Theta Investments Pvt Ltd

46 Related party transactions

Key Management Personnel				
Remuneration paid				
Mr Chand Seth		**38.54**		38.54
Mr Varun Seth		**35.86**		33.91
Mr Ramesh Mehra		**10.44**		10.44
Loan taken				
Mr Chand Seth		**155.00**		55.00
Mr Varun Seth		**75.00**		275.00
Interest paid				
Mr Chand Seth		**20.49**		-
Mr Varun Seth		**18.21**		-
Loan paid				
Mr Chand Seth		**17.80**		-
Mr Varun Seth		**192.02**		115.00
Outstanding payable				
Mr Chand Seth		**326.37**		161.03
Mr. Varun Seth		**73.20**		161.43
Mr. Ramesh Mehra		**7.54**		0.79

47 Relatives of Key Management Personnel				
Remuneration paid				
Mr Amit Seth		**23.90**		23.90
Mr Udit Seth		**23.90**		23.90
Rent paid				
Theta Investments Pvt Ltd		**-**		1.73
Mrs Suneeta Seth		**14.40**		14.40
Outstanding Payable				
Mr. Amit Seth		**10.11**		1.23
Mr. Udit Seth		**10.69**		1.23
Mrs Suneeta Seth		**9.97**		1.08
Related parties where control exists				

Outstanding Receivable				
Theta Investments Pvt Ltd		-		0.10

48 Gratuity and other post employment benefit plans

Employees Benefits

The Company has adopted Accounting Standard (AS)-15, "Employees Benefits" notified in the Companies (Accounting Standards) Rules 2006.

The Company has classified various employees benefits as under:

Defined Contribution Plans

The Company has recognized the following amounts in the Profit & Loss Accounts for the year

I. Employer's Contribution to Provident Fund		**35.36**		45.27
II. Employer's Contribution to Superannuation Fund		**12.93**		13.88
III. Employer's Contribution to Employees' Pension Scheme		**38.67**		40.36
IV. Employer's Contribution to Employees' State Insurance Scheme		**11.08**		18.25

Defined Benefit Plans

Valuations in respect of Gratuity, Leave Encashment and Compensated Absences have been carried out by independent actuary, as at the Balance Sheet date based on the following assumptions:

a) Discount Rate (per annum)	7.00%		7.00%	
b) Rate of increase on compensation levels/escalation in salary	5.00%		5.00%	
c) Expected rate of Return on Plan Assets	7.00%		7.00%	
d) Expected Average remaining working lives of employees in number of years	**17.5 yrs**		17 yrs	

Changes in the Present Value of Obligation	**Gratuity (Funded) 31.03.2021 Rs. in lakhs**	**Leave Encashment 31.03.2021 Rs. in lakhs**	Gratuity (Funded) **31.03.2020** Rs. in lakhs	Leave Encashment **31.03.2020** Rs. in lakhs
Present value of Obligation as at 1st April, 2020	**300.42**	**74.72**	305.03	79.68
Interest Cost	**21.03**	**5.23**	21.35	5.58
Past Service Cost	**-**	**-**	-	-
Current Service Cost	**17.02**	**8.49**	22.62	13.02
Benefits Paid	**(134.11)**	**(23.04)**	(20.70)	(18.59)
Actuarial Loss/(Gain)	**6.34**	**(10.06)**	(27.88)	(4.97)
Present value of Obligation as at 31st March , 2021	**210.69**	**55.34**	300.42	74.72
Changes in the Fair Value of Plan Assets				
Fair Value of Plant Assets as at 1st April, 2020	**32.88**	**-**	29.15	-
Expected Return on Plan Assets	**2.30**	**-**	2.04	-
Actuarial Loss/(Gain)	**(1.37)**	**-**	(0.73)	-
Employers' Contribution	**38.50**	**-**	23.12	-
Benefits Paid	**(38.75)**	**-**	(20.70)	-
Fair Value of Plan Assets as at 31st March, 2021	**33.56**	**-**	32.88	-
Percentage of each Category of Plan Assets to total Fair Value of Plan Assets as at 31st March, 2021				
Insurance Policies	**33.56**	**-**	32.88	-
Reconcialtion of Present Value of Define Benefit Obligation and the fair value of Assets				
Present value of total Obligation as at 31st March, 2021	**210.69**	**55.34**	300.42	74.72
Fair Value of Funded Plan Assets as at 31st March, 2021	**33.56**	**-**	32.88	-
Present value of Unfunded Obligation as at 31st March, 2021	**177.14**	**55.34**	267.54	74.72
Unrecognized past service cost	**-**	**-**	-	-
Unrecognized actuarial (Gain)/Losses	**-**	**-**	-	-
Unfunded Net Liability recognized in the Balance Sheet	**177.14**	**55.34**	267.54	74.72
Expenses recognized in the Profit & Loss Account				
Current Service Cost	**17.02**	**8.49**	22.62	13.02
Past service Cost	**-**	**-**	-	-
Interest Cost	**21.03**	**5.23**	21.35	5.58
Expected Return on Plan Assets	**(2.30)**	**-**	(2.04)	-
Total Expenses recognized in profit and loss a/c	**35.75**	**13.72**	41.93	18.60
Other comprehensive (income) / expenses (Remeasurement)				
Cumulative unrecognized actuarial (gain)/loss as on 1st April 2020	**(32.05)**	**-**	(4.90)	-
Actuarial (gain)/loss - obligation	**6.34**	**-**	(27.88)	3.54
Actuarial (gain)/loss - plan assets	**1.37**	**(10.06)**	0.73	(8.51)
Total actuarial (Gain)/Loss	**-7.71**	**(10.06)**	(27.15)	(4.97)
Cumulative total actuarial (gain)/loss as on 31st March 2021	**(24.34)**		**(32.05)**	

49 Details of dues to micro enterprises and small enterprises as defined under The Micro, Small and Medium Enterprises

	Development (MSMED) Act 2006* Particulars	March 31, 2021 Rs. in lakhs	March 31, 2020 Rs. in lakhs
a.	The principal amount and the interest due thereupon remaining unpaid to any supplier as		
	- Principal amount due to micro and small enterprises	**2.63**	2.97
	- Interest due on above	**0.11**	0.21
b.	The amount of interest paid by the buyer in terms of section 16 of the Micro and Small Enterprise Development Act, 2006, alongwith the amounts of the payment made to the supplier beyond the appointed day during each accounting year	**Nil**	Nil
c.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro and Small Enterprise Development Act, 2006 by the company in term of Section 16 of Micro,Small	**Nil**	Nil
d.	The amount of interest accrued and remaining unpaid at the end of each accounting year	**0.42**	0.31
e.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of Micro and Small Enterprises Development Act, 2006	**Nil**	Nil

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

50 The Company is engaged in the manufacture of PET bottles & jars and there is no separate reportable segment as per the Accounting Standard 17 on 'Segment Reporting' notified in the Companies (Accounting Standard) Rules. 2006

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

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

53 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)

NARESH KHANNA
Partner
Membership No. 081482
Place: New Delhi
UDIN:-21081482AAAACE9100

On Behalf of the Board

CHAND SETH	**VARUN SETH**
Chairman & Managing Director	**Whole Time Director**
DIN-00002944	**DIN-00017552**
Sanjeev Rikhi	**Vineet Gupta**
Chief Financial Officer	**Company Secretary**
	M.No.47642

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