

PEARL ELECTRONICS LIMITED

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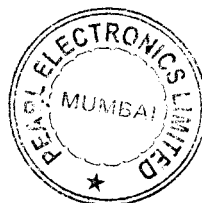
PEARL

QUARTERLY COMPLIANCE REPORT ON CORPORATE GOVERNANCE

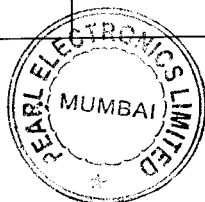
Name of the Company : Pearl Electronics Limited

Quarter ending on : 30th September, 2015

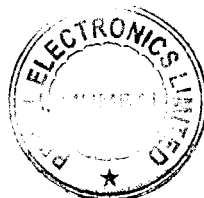
Particulars	Clause of Listing Agreement	Compliance Status Yes/No/ N.A.	Remarks
II. Board of Directors	49 (II)		
(A) Composition of Board	49 (IIA)	Yes	The Board comprises of 4 Non-Executive and Independent Directors (includes 1 Woman Director).
(B) Independent Directors	49 (IIB)	Yes	More than half of the Board of Directors consists of Independent Directors. All the Independent Directors of the Company furnish a declaration at the time of their appointment as also annually that they qualify the tests of their being independent as laid down under Clause 49.
(C) Non-executive Directors' Compensation & Disclosures	49 (IIC)	Yes	The Non-Executive Directors do not get any compensation except sitting fees for attending the Board Meetings.
(D) Other Provisions as to Board and Committees	49 (IID)	Yes	The directors are in compliance with the Limits with regard to membership/chairmanships in committees thereof. No independent director resigned from the services of the Company.
(E) Code of Conduct	49 (IIE)	Yes	The Code(s) of conduct for the Board of Directors and for the senior management have been displayed on the Company's website. The aforesaid Code suitably incorporates the Duties of Independent Directors as laid down in the Companies Act, 2013. Affirmations in respect of compliance with the codes as on 31/03/2015 have been obtained from all Directors and Senior Management Personnel and a declaration to this effect signed by two Directors of the Company has



			been made part of the Annual report for the period 2014-15.
(F) Whistle Blower Policy	49 (IIF)	Yes	The Company has put in place a Whistle Blower Policy covering the provisions relating to vigil mechanism. The aforesaid Policy is also hosted on the website of the Company.
III. Audit Committee	49 (III)		
(A) Qualified & Independent Audit Committee	49 (IIIA)	Yes	Audit Committee comprises of three non executive directors and two out of them are independent directors all of them Audit Committee and all of them have the relevant accounting & financial management expertise.
(B) Meeting of Audit Committee	49 (IIIB)	Yes	Exclusive meeting among the Audit Committee members is held every quarter. The meetings are always scheduled well in advance and the time gap between any two meetings do not exceed more than four months.
(C) Powers of Audit Committee	49 (IIIC)	Yes	The terms of reference of the Audit Committee of Directors includes the matters referred to in Clause 49 (III) (C), (D) & (E) of the Listing Agreements and Sec.177 of the Companies Act, 2013 and Rules made thereunder.
(D) Role of Audit Committee	49 III(D)	Yes	
(E) Review of Information by Audit Committee	49 (IIIE)	Yes	The relevant information as referred to in this sub-clause is submitted to the Audit Committee for their review on an ongoing basis.
IV. Nomination and Remuneration Committee	49 (IV)	Yes	The Nomination & Remuneration Committee comprises of 3 non-executive directors out of which 2 are Independent Directors. The terms of reference of the Committee is in line with this clause read with Sec. 178 of the Companies Ad, 2013 and Rules made thereunder.
V. Subsidiary Companies	49 (V)	N.A.	The Company does not have any subsidiary Companies
VI. Risk Management	49 (VI)	Yes	The Company has adequate risk management mechanism. The Board has delegated the powers to monitor



			and review keys risks associated with the business of the Company to the Risk Management Committee constituted in terms of this Clause.
VII. Related Party Transactions	49 (VII)	Yes	The Company has formulated a policy on materiality of related party transactions and also on dealing with related party transactions, It has established mechanisms to enable the Audit Committee to review and grant omnibus approval to the related party transactions subject to the procedure/ norms prescribed in this clause and Companies Act, 2013 and Rules made thereunder. Further, the details on material related party transactions are made part of Annual Report for the year 2014-15.
VIII. Disclosures	49 (VIII)		
(A) Related Party Transactions	49 (VIII A)	Yes	Relevant information in respect of related party transactions entered into by the Company for the FY 2014-15 have been disclosed in the Annual Report for such period. The Company has also disclosed the policy on RPT on its website.
(B) Disclosure of Accounting Treatment	49 (VIII B)	Yes	No changes have been made in the Accounting Treatment.
(C) Remuneration of Directors	49 (VIII C)	N.A.	Not applicable since no remuneration is paid to Directors. However the Company has made appropriate disclosures as prescribed in this Clause in its Annual Report for the FY 2014-15.
(D) Management	49 (VIII D)	Yes	The MDAR forms part of the Director's Report in the Annual Report for the FY 2014-15 of the Company. Senior Management have affirmed that they have not entered into any material financial and commercial transactions which may conflict with the interest of the Company.
(E) Shareholders	49 (VIII E)	Yes	The requisite information to be provided to the shareholders under Clause 49 (VIII E) has been furnished



			in the Notice of the Annual General Meeting and in the Annual Report of the Company for the respective years.
(F) Proceeds from Public Issues, Rights Issues, Preferential Issues etc.	49 (VIII F)	N.A.	The Company has not made out any public issues, right issues, Preferential issues etc.
IX.CEO/CFO Certification	49 (IX)	Yes	The CEO/CFO certificate for FY 2014-15 duly signed by the Manager & CFO of the Company was placed before the Board Meeting held on 14/08/2015.
X. Report on Corporate Governance	49 (X)	Yes	The Annual Report for the year 2014-15 Includes the report on Corporate Governance detailing the compliance by the Company of the mandatory requirements under Clause 49 of the Listing Agreement and adoption of the non-mandatory requirements.
XI. Compliance	49 (XI)	Yes	A certificate has been issued by the Statutory Auditors M/s. CPM & Associates, Chartered Accountants confirming compliance with the mandatory requirements and adoption of non mandatory requirements, which forms part of the Annual Report 2014-15 and a copy of which has been filed with the Stock Exchanges.

For Pearl Electronics Limited
For Pearl Electronics Limited

M. Bhatia
 Manoj Bhatia / Auth. Sign.

Director

DIN: 01953191