

NOTICE

NOTICE is hereby given that the **44th** Annual General Meeting of the members of Pearl Polymers Limited will be held on Wednesday, the **30th Day of September, 2015 at 11:30 A.M.** at A-97/2, Okhla Industrial Area, Phase-II, New Delhi-110 020, the registered office of the Company, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2015 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Chand Seth (DIN No. 00002944), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To ratify the appointment of Statutory Auditors and to fix their remuneration and, in this regard to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to section 139, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the appointment of M/s. Sehgal Mehta & Co., Chartered Accountants (Firm Registration No. 003330N) as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 46th Annual General Meeting of the Company to be held in the year 2017, subject to ratification of the appointment by the Members at every Annual General Meeting, to examine and audit the accounts of the Company for Financial Year 2015-2016, on such remuneration as may be agreed upon by the Board of Directors in consultation with the Auditors.”

SPECIAL BUSINESS:

4. To re-appoint Mr. Varun Seth (DIN 00017552) as the Whole Time Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment

thereof for the time being in force), subject to the approval of the members of the Company at the ensuing Annual General Meeting, Mr. Varun Seth (DIN 00017552), be and is hereby re-appointed as the Whole Time Director of the Company, for a further period of 3 (three) years with effect from July 01, 2015 to June 30, 2018, on the following terms and conditions including remuneration as set out in the statement annexed to the Notice convening this Annual General Meeting, with the liberty and power to the Board of Directors (hereinafter referred to as 'the Board' which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Varun Seth, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT Mr. Varun Seth, Whole Time Director of the Company, shall be liable to retire by rotation in pursuance of the provisions of Section 152 read with the Companies (Appointment and Qualification of Directors) Rules, 2014.

RESOLVED FURTHER THAT Mr. Chand Seth, Chairman & Managing Director of the Company, be and is hereby authorized to do all such acts, deeds and things as are necessary in this regard.”

Mr. Chand Seth and Mr. Varun Seth, being interested in the aforesaid item, did not participate in the proceedings of this item, nor did they vote on the resolution

By Order of the Board of Directors

Pearl Polymers Limited

Shilpa Verma

Company Secretary

M.No. A35798

Place: New Delhi

Date : August 12, 2015

Registered Office:

A-97/2, Okhla Industrial Area,
Phase-II, New Delhi-110020



NOTES:

1. The Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business mentioned at Item No. 4 to be transacted at the Annual General Meeting is annexed hereto. Additional information as required under Clause 49 of the Listing Agreement in respect of Director seeking reappointment at the Annual General Meeting is furnished as annexure to the Notice.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE ANNUAL GENERAL MEETING ON A POLL INSTEAD OF HIM/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
3. Proxy Form, in order to be effective, must be received at the Company's registered office not less than 48 hours before the commencement of Annual General Meeting. Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
4. Corporate members intending to send their authorized representatives to attend the Annual General Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
5. Members/ Proxies/ Authorised Representatives are requested to bring the duly filled Attendance Slip along with their copy of Annual Report to attend the Annual General Meeting. As a measure of economy, Annual Reports shall not be distributed at the Annual General Meeting.
6. In case of joint holders attending the Annual General Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, the 25th Day of September, 2015 to Wednesday, the 30th Day of September, 2015 (both days inclusive), in terms of the provisions of the Companies Act, 2013 and the Listing Agreement with the Stock Exchanges, for the purpose of Annual General Meeting.
8. All relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, during 10.30 a.m. to 12.30 p.m., up to the date of the Annual General Meeting.
9. In case you have any query relating to Annual Accounts you are requested to send the same to the Company

Secretary at the Registered Office of the Company at least 10 days before the date of AGM so as to enable the Company to collect the relevant information.

Voting through Electronic Means

10. Pursuant to Section 108 of the Companies Act, 2013, read with the Companies (Management & Administration) Rules, 2014 amended as Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, a member of the Company holding shares in physical form or in dematerialized form, may exercise their right to vote by electronic means in respect of the resolutions contained in the notice.
11. The Company has fixed Thursday, September 24, 2015, as a cut-off date to record the entitlement of the shareholders to cast their vote at the 44th Annual General Meeting ('AGM') by electronic means under the Companies Act, 2013 and rules made there under.
12. The Members desiring to vote through electronic mode may refer to the detailed procedure for Remote E-voting given in the Attendance Slip, as annexed to this Annual Report.
13. The Remote E-voting period will commence on Saturday, September 26, 2015 (9.00 A.M.) and ends on Tuesday, September 29, 2015 (5:00 P.M.). The Company has appointed Ms. Shalu Singhal, Practising Company Secretary (Membership No. 32682), to act as the Scrutinizer, for conducting the scrutiny of the votes cast, in a fair and transparent manner.
14. The Scrutinizer shall immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the Annual General Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than 3 days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
15. Green Initiative: The Ministry of Corporate Affairs ('MCA') and Securities and Exchange Board of India ('SEBI'), have taken "Green Initiative in the Corporate Governance", thereby directing Companies to serve documents to its members whose e-mail address are registered with the Company, through electronic mode, unless specific request is received from the member regarding physical delivery of documents. Accordingly, the Annual Report of the Company for financial year 2014-15 is being sent in electronic mode to members whose e-mail Ids are registered with the Company or the Depository Participant(s) unless member has registered their request for a physical copy of the Report. For members who have not registered their e-mail addresses, physical copies of the Annual Report 2014-15 are being sent by the permitted mode.

REGISTRATION OF E-MAIL IDS

Members who have not registered their Email IDs are requested to give following details to the Company at email id: pearlsecretarial@pearlpol.net :

Name of the Shareholder: Folio Number/ DPID :

Email Id:

Even after registering for e-communication, members are entitled to receive such communication in physical form, upon receipt of request for the same, free of cost.

WE SOLICIT YOUR VALUABLE CO-OPERATION AND SUPPORT IN OUR ENDEAVOR TO CONTRIBUTE OUR BIT TO THE ENVIRONMENT.



EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 4

The tenure of Mr. Varun Seth expires on June 30, 2015. Taking into consideration of the valuable services rendered by him during his tenure for the growth of Company and subject to the approval of the members of Company in Annual General Meeting and based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors at its Meeting held on May 27, 2015 had re-appointed Mr. Varun Seth as the Whole Time Director of the Company for a period of three (3) years with effect from July 01, 2015 to June 30, 2018, on the following terms and conditions including remuneration:

A. Remuneration including Basic salary, Medical Reimbursement, Leave Travel Concession etc. aggregating to, but not exceeding Rs. 3,50,000/- (Rupees Three Lacs Fifty Thousand Only) per month.

B. PERQUISITES IN ADDITION TO THE ABOVE

1. **Housing:** Expenditure by the Company on hiring furnished accommodation subject to lease rent not exceeding one month basic salary. The value of benefit will be determined as per the Income Tax Rules.

Provided that not more than 50% of the accommodation provided to the appointee shall be used and maintained for office purpose. The lease rent shall be apportioned between the Company and the appointee in the ratio of 50:50. Accordingly the Expenses incurred on gas, electricity, water and furnishing at actual value, shall also be apportioned between the Company and the appointee in the ratio of 50:50.

2. **Provident Fund:** The Company's contribution to Provident Fund as per rules of the Company will be subject to a ceiling of 12% of the salary as laid down under the Income Tax Rules, 1962.

3. **Superannuation Fund:** The Company's contribution to the Superannuation fund together with the contribution to Provident Fund shall not exceed 27% of the salary, as laid down in the Income Tax Rules, 1962.

4. **Gratuity:** The Gratuity payable shall not exceed one half month's salary for each completed year of service subject to a ceiling of Rs. 10,00,000/- or such other sum as may be specified under the provisions of Payment of Gratuity Act, 1972.

5. **Earned/ Privileged Leave:** As per the Rules of the Company, the leaves accumulated but not availed of during the tenure may be allowed to be encashed at the end of the tenure.

6. Free use of Company's car with driver for business of the Company.

7. Free telephone and Mobile facility at the Company's cost. However, personal long distance cost shall be billed to the appointee.

In the event of absence or inadequacy of profits in any financial year, Mr. Varun Seth should be paid aforesaid remuneration and permissible perquisites, if approved by the Shareholders at the ensuing Annual General Meeting, in accordance with the provisions of Schedule V to the Companies Act, 2013.

Mr. Varun Seth upon re-appointment as the Whole Time Director shall be subject to retirement by rotation during his

tenure of appointment in the Company.

The re-appointment and remuneration payable to Mr. Varun Seth need to be approved by the shareholders at the Annual General Meeting and accordingly, the resolution is placed before the Members.

Annexure to the Notice

INFORMATION PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT

Profile and other details of Mr. Chand Seth (Item No. 2) :

Mr. Chand Seth, aged 71 years, is one of the promoters of the Company and has over 45 years of experience in the field of Polymers. He holds a degree in B.Tech (Mech.) from IIT (Kharagpur) and MS from Michigan University, USA.

Mr. Chand Seth, has diverse experience and deep knowledge of the Plastic Industry. His perspective provides the Board with invaluable information necessary to direct the business and affairs of the Company.

Companies (other than Pearl Polymers Limited) in which Mr. Chand Seth holds Directorship and Membership in Committees:

Directorships

- a) Theta Investment Private Limited
- b) Indo Nippon Chemical Company Limited
- c) Pacific Pearl Finance and Leasing Limited
- d) Pearl Flats (India) Limited
- e) Pearl Telefonics Limited

Membership in Committees : Nil

Number of Shares : 8,90,475 Equity Shares

Profile and other details of Mr. Varun Seth (Item No.4) :

Mr. Varun Seth, aged 42 years holds bachelor's Degree in Engineering in Industrial Production. He is a Production Engineer and has undergone training in Japan during his initial assignment. He has an experience of nearly 19 years in handling production, marketing and overall business operations of the Company.

Mr. Varun Seth has immensely contributed in exploring new avenues for expansion of the Company's business and improving its overall performance. With his vast experience and knowledge in his field, he is best suited to the profile.

Companies (other than Pearl Polymers Limited) in which Mr. Varun Seth holds Directorship and Membership in Committees:

Directorships

- a) Theta Investment Private Limited
- b) Pacific Pearl Finance & Leasing Limited
- c) Pearl Flats (India) Limited

Membership of Committees of the Board: Nil

Number of Shares: 5,97,778 Equity Shares

STATEMENT PURSUANT TO THE PROVISIONS OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013 IN RESPECT TO ITEM NO. 4

I. GENERAL INFORMATION:

(a) **Nature of Industry:**

The Company is engaged in the manufacturing of PET Jars and Bottles.

(b) **Expected date of Commencement of commercial production:**

The Company has incorporated in the year 1971, so expected date of commercial production is not applicable.



- (c) **In case of new Companies, expected date of commencement of activities as per the Project approved by financial institutions appearing in the prospectus:**

Not Applicable.

- (d) **Financial Performance based on given indicators:**

The relevant Audited financial figures for the year ended as on March 31, 2015 are as under:

(Rs. In Lacs)

Total Revenue	Expenses	Net Profits before Tax	Tax Expenses	Net Profit after Tax
20167.87	20359.09	(191.22)	59.43	(250.65)

- (e) **Foreign Investments or collaborators, if any:**

Not Applicable.

I) INFORMATION ABOUT THE APPOINTEE:

- (a) **Background Details:** Mr. Varun Seth, aged 42 years holds bachelor's degree in Engineering in Industrial Production. He has undergone training in Japan during his initial assignment. He has rich experience of nearly 19 years in handling production, marketing and overall business operations of the Company.
- (b) **Past Remuneration:** During his earlier tenure as Whole Time Director in the Company, Mr. Varun Seth has received maximum remuneration of Rs. 3,50,000 Per Month, being the remuneration approved by the shareholders of the Company at the 41st Annual General Meeting held on September 20, 2012.
- (c) **Recognition or Awards:** The Company won various awards namely World Star Award, Asia Star Award and Johnson & Johnson Worldwide Sustainability Award for the initiative taken in implementing change in bulk packaging process under his leadership.
- (d) **Job Profile and his suitability:** Mr. Varun Seth has been instrumental in setting up of the various plant of the Company and is actively involved in activities at other plants of the Company. He has also been involved in planning and framing of business strategy for introduction of new products and clients for the Company.
- (e) **Remuneration Proposed:** As mentioned above
- (f) **Comparative remuneration profile with respect to Industry, size of the Company, profile of the position and person:** The prevalent levels of remuneration in the industry in plastic and manufacturing industry in particular are higher. In view of his strategic role in turning around the Company from difficult times and placing it in such a pre-eminent position in the industry while also considering his academic background and vast experience, the proposed remuneration to the appointees is reasonable and is in fact on lower side compared to the remuneration packages for such levels paid in the Industry.

- (g) **Pecuniary relationship directly or indirectly with the Company or relationship with the management personnel, if any:** Except Mr. Chand Seth, Chairman & Managing Director of the Company, none of the Directors, Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item no. 4 of this Notice.

II) OTHER INFORMATION:

- (a) **Reasons of loss or Inadequate Profits:** With significant increase in the cost of raw material prices, the manufacturing costs have gone up which has resulted in lower margins since the rise in raw material prices could not be passed on to customers due to cut throat competition in Pet Bottle & Jar market.
- (b) **Steps taken or proposed to be taken for Improvement:** The Company is taking all possible steps to improve the profitability of the Company. Continuous efforts are being made towards exploring new markets in other Countries. Options for new segments are also being explored simultaneously.
- (c) **Expected increase in Productivity and Profits in measurable terms:** The Company will strive to widen its customer base, increase market share, develop new products and enter new segments to achieve an overall growth in the domestic top line. The Company is entering into long-term contracts with the raw material suppliers to avoid unexpected price variation/shortages.
- The aforesaid measures are expected to substantially increase the productivity and profits of the Company.

By Order of the Board of Directors
Pearl Polymers Limited
Shilpa Verma
Company Secretary
M.No. A35798

Place: New Delhi
Date : August 12, 2015
 Registered Office:
 A-97/2, Okhla Industrial Area,
 Phase-II, New Delhi-110020