



PEARL
Polymers Limited

PET
POLYETHYLENE TEREPHTHALATE
JARS
BOTTLES

Regd. Off. : A-97/2, Okhla Industrial Area, Phase-II, New Delhi-110020, India
CIN NO. : L25209DL1971PLC005535
Tel. No. : +91-11-47385300, **Fax**, +91-11-47480746
Email : pearl@pearlpet.net, **Website**: www.pearlpet.net

NOTICE OF POSTAL BALLOT

(Pursuant to section 110 of the Companies Act, 2013)

Dear Members,

NOTICE is hereby given that pursuant to the provisions of Section 110 of the Companies Act, 2013 (hereinafter referred to as 'the Act') and other applicable provisions, if any, of the Act read with (i) Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 (hereinafter referred to as 'the Rules') (including any statutory modification(s) or amendment thereto); (ii) applicable provisions of Secretarial Standard-2 issued by The Institute of Company Secretaries of India from time to time; and (iii) Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') and other applicable regulations, if any, of the Listing Regulations, the Company hereby seeks your approval through Postal Ballot (by way of e-voting') for the resolution annexed hereto proposed to be passed by the members of the Company ("Members") through postal ballot by way of remote electronic voting ("**e-voting**"). The proposed Resolution and the relevant Statement pursuant to Section 102 of the Act setting out the material facts and the reasons for the proposed resolution are appended herewith for your consideration.

In view of the COVID-19 related lockdown and social distancing requirements, the Ministry of Corporate Affairs (MCA) issued General Circular Numbers 14/2020, 17/2020 and 22/2020 on April 08, 2020, April 13, 2020 and June 15, 2020 respectively (hereinafter referred to as 'the Circulars'), inter-alia specifying the framework for conduct of business through Postal Ballot till September 30, 2020 or till such further orders, whichever is earlier. The Circulars *inter-alia* provide that on account of difficulties faced by the companies in dispatch of physical Postal Ballot notice to their members due to the threat posed by COVID-19, the assent / dissent of the members in the Postal Ballot will only take place through e-voting. The requirements provided under Rule 20 of the Rules relating to e-voting shall be applicable *mutatis mutandis* for passing of resolutions through Postal Ballot (e-voting).

Accordingly, in compliance with the Circulars, this Postal Ballot Notice is being sent through e-mail to all the Members who have registered their e-mail addresses with the Company/ Registrar and Share Transfer Agent ('RTA')/ Depository Participant(s) and the communication of assent / dissent of the Members will only take place through the remote e-voting system and the physical Postal Ballot Notice (along with postal ballot forms) and pre-paid business envelope through post will not be sent to the Members for this Postal Ballot.

For voting through electronic means as per the facilities arranged by the Company, Members are requested to read the instructions in the Notes under the section '**Instructions and other information relating to remote e-voting**' of this Postal Ballot Notice.

Members who have not received the Postal Ballot Notice due to change/ non-registration of their e-mail address with the Company/ RTA/ Depository Participants, may send a request for receiving the Postal Ballot Notice and voting credentials latest by October 20, 2020 by sending an email at info@masserv.com along with a scanned copy of Share Certificate/ Client Master. Post receipt of such request, the Member would be provided soft copy of the notice and the procedure for e-voting along with the User ID and the Password to enable e-voting for this Postal Ballot. Please note that for permanent registration of email

address, Members shall register their email addresses, in respect of electronic holdings with their concerned depository participants by following due procedure. Kindly note that steps taken by Members in respect of physical holdings as enunciated above (*i.e.* by sending an email to info@masserv.com) shall be sufficient for permanent registration of their email addresses.

Members who have already registered their email address are requested to keep their email addresses validated with their depository participants / the Company's Registrar and Share Transfer Agent, i.e. Mas Services Limited for receiving future communications in electronic form to their email address. In case of any queries, the Member may write to RTA of the Company at info@masserv.com.

For the aforementioned purpose, the Company is offering facility of e-voting to all its Members to enable them to cast their votes electronically. The Company has engaged Central Depository Services (India) Limited ('CDSL'), an agency authorized by the Ministry of Corporate Affairs, to provide remote electronic voting facility to its Members. Members are requested to follow the procedure as stated in the instructions of this Notice for casting of votes electronically.

Pursuant to Rule 22(5) of the Rules, the Board of Directors of your Company, at its meeting held on September 21, 2020 has appointed Ms. Rashmi Sahni, Practicing Company Secretaries (Certificate of Practice No: 10493) as Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.

The Members are requested to carefully read the instructions indicated in the Notice for casting of votes electronically and record their assent (for) or dissent (against) through aforementioned remote e-voting facility. The Scrutinizer will submit her report to the Chairman and Managing Director of the Company or to any person authorized by him after completion of the scrutiny of total votes casted. The results of the Postal Ballot (e-voting) will be announced on or before Monday, October 26, 2020 and the Resolution will be deemed to have been passed w.e.f. Friday, October 23, 2020 i.e. the last date of casting of votes, if approved by the requisite majority. The Notice of the Postal Ballot and result of the Postal Ballot along with the Scrutinizer's Report shall be hosted on the website of the Company (www.pearlpet.net), BSE Limited and National Stock Exchange of India Limited, where the equity shares of the Company are presently listed and Central Depository Services (India) Limited ('CDSL').

RESOLUTION:

Sale of Company's Business engaged in manufacturing, marketing, and sale of rigid plastic packaging solutions in PET and PP grade of polymers and other forms of resins for supply to other business entities for packaging their product ("B2B Business")

To consider, and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, read with the applicable rules made thereunder, as amended from time to time and subject to such other approvals, consents, permissions and sanctions as may be required from the concerned statutory / regulatory authorities under various statutes or regulations or any other law for the time being in force and subject to such terms and conditions as may be imposed by them, if any, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "**Board**") to sell and transfer, the Company's business engaged in manufacturing, marketing, and sale of rigid plastic packaging solutions in PET and PP grade of polymers and other forms of resins for supply to other business entities for packaging their product ("**B2B Business**") together with the specified assets, including land, employees, plant and machinery, intellectual property and specified liabilities associated with the B2B Business ("**B2B Business Undertaking**"), to Manjushree Technopack Limited, a company engaged in the business of rigid plastic packaging ("**Buyer**"), as an inseparable whole undertaking, on a going concern basis, by way of a slump sale (as contemplated under Section 50B read with Section 2(42C) of the Income Tax Act, 1961), at a consideration calculated after making certain adjustments (as agreed between the parties) to the pre-agreed enterprise value of INR 92,50,00,000 (Rupees Ninety Two Crore Fifty Lakh) between the parties.

RESOLVED FURTHER THAT the Board be and is hereby authorised to undertake all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion, for the purpose of giving effect to this resolution and to settle any question, difficulty or doubt that may arise in this regard.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors or to any Director(s) or Officer(s) or Authorised Representative(s) of the Company in order to give effect to this Resolution.”

By Order of **the Board of Directors**
For **Pearl Polymers Limited**

Place: New Delhi
Date: September 21, 2020

Sd/-
Vineet Gupta
Company Secretary
M. No: ACS-47642

Registered Office:
A-97/2, Okhla Industrial Area,
Phase-II, New Delhi-110020
CIN: L25209DL1971PLC005535
Website: www.pearlpet.net
E Mail ID: pearlsecretarial@pearlpet.net

NOTES:

1. An Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 ('Act') setting out material facts relating to the proposed resolution is annexed hereto.
2. In view of the COVID-19 related lockdown and social distancing requirements, the Postal Ballot Notice along with the Explanatory Statement thereof is being sent through electronic mode to those Members, whose e-mail addresses are registered with the Company/ Registrar and Share Transfer Agent ('RTA')/ Depository Participant(s). For Members who have not received the notice due to non-registration of their e-mail address with the Company/ RTA/ Depository Participants may cast their vote by following the registration process stated in this Postal Ballot Notice.
3. A person whose name appears in the Register of Members / List of Beneficial Owners as on the Cut-off date *i.e.* **September 18, 2020** shall be entitled to vote on the resolution set forth in the Postal Ballot Notice. Voting rights shall be reckoned on the paid-up value of the shares registered in the name of the Members / Beneficial Owners as on the Cut-off date. A person who is not a Member as on the Cut-off date shall treat this Postal Ballot Notice for information purpose only.
4. M/s Mas Services Ltd. is Registrar and Share Transfer Agent of the Company. All investor related communication may be addressed to pearlsecretarial@pearlpet.net or to:

M/s Mas Services Limited
Unit: Pearl Polymers Limited
T-34, 2nd Floor, Okhla Industrial Area, Phase II, New Delhi-110 020
Ph:- 011 26387281/82/83
email:- info@masserv.com,
Website: www.masserv.com

5. Postal Ballot Notice along with the Explanatory statement thereof will be available on the Company's website, www.pearlpet.net, on the website of Stock Exchanges (where the shares of the Company are listed *i.e.* BSE Limited and National Stock Exchange of India Limited) and on the website of CDSL *i.e.* www.cdslindia.com.

6. The e-voting period commences on **Thursday, September 24, 2020** at 09:00 AM IST and ends on **Friday, October 23, 2020** at 05:00 PM IST. During this period Members of the Company, holding equity shares either in physical form or in dematerialized form, as on the cut-off date i.e. **September 18, 2020**, may cast their vote electronically. The remote e-voting module will be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, the member will not be allowed to change it subsequently or cast the vote again.
7. In compliance with Sections 108 and 110 of the Act read with the Rules and the Circulars issued thereunder, the Company has provided the facility to the members to exercise their votes electronically and vote on resolution through the e-voting service facility arranged by CDSL. The instructions for electronic voting are mentioned in this Postal Ballot Notice.
8. Resolutions passed by the members through Postal Ballot (e-voting) are deemed to have been passed as if they have been passed at a General Meeting of the members.
9. Corporate / Institutional Members (i.e. other than individuals, HUF, NRI etc.) for the purpose of e-voting are also required to send certified true copy of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized person(s). The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to csrashmi3011@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com.
10. The Scrutinizer will submit her report to the Chairman & Managing Director or any other person authorised by him on or before **Monday, October 26, 2020** and then the result of e-voting will be announced by the Chairman & Managing Director or any other person authorised by him on or before **Monday, October 26, 2020**. The results will also be displayed on the Company's website (www.pearlpet.net), intimated to CDSL and the Stock Exchanges where the Company's shares are listed i.e. BSE Limited and National Stock Exchange of India Limited, along with the Scrutinizer's report. The Resolution would be deemed to have passed on **October 23, 2020**, if approved by the requisite majority.
11. Pursuant to the Rules read with the Circulars, the details pertaining to this Postal Ballot will be published in one English national daily newspaper and one Hindi (Vernacular) daily newspaper.
12. The relevant documents as referred to in the explanatory statement will be available for physical inspection of the Members at the Registered Office of the Company at A-97/2, Okhla Industrial Area, Phase-II, New Delhi-110020.

13. INSTRUCTIONS AND OTHER INFORMATION RELATING TO REMOTE E-VOTING:

STEP 1: The Members should log on to the e-voting website www.evotingindia.com.

STEP 2: Click on Shareholders/Members.

STEP 3: Enter your User ID

a) For CDSL: 16 digits beneficiary ID,

b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c) Members holding shares in Physical Form should enter Folio Number registered with the Company.

STEP 4: Next enter the Image Verification as displayed and Click on Login.

STEP 5: If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

STEP 6: If you are a first-time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10digit alpha numeric PAN issued by Income Tax Department (Applicable for shareholding in demat as well as in physical form) <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.

STEP 7: After entering these details appropriately, click on 'SUBMIT' tab.

STEP 8: Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

STEP 9: For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

STEP 10: Click on the **EVSN-200922004** for Pearl Polymers Limited.

STEP 11: On the voting page, you will see 'RESOLUTION DESCRIPTION' and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

STEP 12: Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

STEP 13: After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

STEP 14: Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

STEP 15: You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

STEP 16: If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.

STEP 17: Members can also cast their votes using CDSL's mobile app m-voting available for android based mobiles. The m-voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

STEP 18: Note for Non-Individual Members and Custodians

- Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

STEP 19: In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ('FAQs') and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

13. The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat account. Members holding shares in physical form can submit their PAN details to M/s Mas Services Ltd., Registrar and Share Transfer Agent of the Company.
14. In terms of Section 72 of the Companies Act, 2013 Members of the Company may nominate a person to whom the shares held by them shall vest in the event of death of a member. In case you wish to avail the nomination facility in respect of shares held by you, please write to M/s Mas Services Ltd., Registrar and Share Transfer Agent of the Company.
15. Members holding shares in more than one folio in the same name(s) are requested to send the details of their folios along with share certificates so as to enable the Company to consolidate their holding into one folio.

Explanatory Statement pursuant to Sections 102 of the Companies Act, 2013 (the "Act")

In terms of Section 180(1)(a) of the Companies Act, 2013 ("Act"), any sale, lease or otherwise disposal of whole or substantially the whole of the undertaking of the Company requires the approval of members of the company by way of a special resolution and as per the provisions of Section 110 of the Act read with Rule 22 of the Companies(Management and Administration) Rules 2014. Such a permission by way of special resolution needs to be accorded by way of postal ballot. An undertaking for the purpose of Section 180(1)(a) of the Act means an undertaking in which the investment of the Company exceeds 20% of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates 20% of the total income of the Company during the previous financial year. Given that the undertaking being transferred i.e. the Company's business engaged in manufacturing, marketing, and sale of rigid plastic packaging solutions in PET and PP grade of polymers and other forms of resins for supply to other business

entities for packaging their product (“**B2B Business**”) generated more than 20% of the total income during the previous financial year ended March 31, 2020, the sale / transfer of as mentioned above requires approval of the members by a special resolution under Section 180(1)(a) of the Act.

The Company, Manjushree Technopack Limited (“**Buyer**”), Mr. Chand Seth, Mr. Amit Seth, Mr. Varun Seth, and Mr. Udit Seth (collectively, “**Promoters**”) (the Company, Buyer and the Promoters, collectively, “**Parties**”) have entered into a business transfer agreement on 21st September, 2020 (“**BTA**”) for transfer of B2B Business together with the specified assets, including land, employees, plant and machinery, intellectual property and specified liabilities associated with the B2B Business (collectively, “**Target Business**”) to the Buyer, on a going concern basis, by way of a slump sale (as contemplated under Section 50B read with Section 2(42C) of the Income Tax Act, 1961). The consideration for sale and transfer of Target Business to the Buyer is to be arrived after making certain adjustments (as agreed between the parties) to the pre-agreed enterprise value of INR 92,50,00,000 (Rupees Ninety Two Crore Fifty Lakh) of the Target Business, between the Parties. Such adjustments include adjustments on accounts of working capital, capital expenditure and ‘debt like items’ etc., in the manner agreed between the Parties under the BTA.

The closing under the BTA is conditional to the completion of customary conditions precedent (including obtaining the approval of Members by the Company and other regulatory authorities) by the Parties, as applicable or agreed between the Parties.

The Board of Directors of the Company (“**Board**”) is of opinion that the remaining business i.e. the B2C business of the Company has matured at a stage that it requires greater business attention and possess high potential of growth, independent of the Target Business. Pursuant to the sale of B2B Business by the Company to the Buyer, more growth opportunities may open up B2C business and consequently which will lead to greater profitability of the B2C business of the Company.

Accordingly, in the opinion of the Board the aforesaid proposal may be deemed to be in the best interest of the Company and hence, the Board recommends passing of the Special Resolution for approval of the members through Postal Ballot.

The relevant documents as referred to in this resolution will be available for physical inspection of the Members at the Registered Office of the Company at A-97/2, Okhla Industrial Area, Phase-II, New Delhi-110020.

Except Mr. Chand Seth, Mr. Varun Seth, Mr. Amit Seth and Mr. Udit Seth and their relatives, none of the Directors, Key Managerial Personnel of the Company and their respective relatives are interested or concerned in the said resolution except to the extent of their respective shareholding in the Company.

By Order of **the Board of Directors**
For **Pearl Polymers Limited**

Place: New Delhi
Date: September 21, 2020

Sd/-
Vineet Gupta
Company Secretary
M. No: ACS-47642

Registered Office:
A-97/2, Okhla Industrial Area,
Phase-II, New Delhi-110020
CIN: L25209DL1971PLC005535
Website: www.pearlpet.net
E Mail ID: pearlsecretarial@pearlpet.net