

NOTICE TO MEMBERS

NOTICE is hereby given that the **Forty Sixth Annual General Meeting** ("AGM") of the Members of Pearl Polymers Limited (CIN:L25209DL1971PLC005535) will be held on Friday, 29th day of September 2017, at 11.30 A.M. at A-97/2, Okhla Industrial Area, Phase-II, New Delhi-110020, registered office of the Company, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on March 31, 2017 together with reports of the Board of Directors' and the Auditors' thereon.
2. To appoint a Director in place of Mr. Varun Seth (DIN:00017552), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 139,141 and 142 read with Companies (Audit and Auditors) Rules, 2014, and other applicable provisions of the Companies Act, 2013, if any, (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Members of the Company be and is hereby accorded for the re-appointment of Sehgal Mehta & Co., (Firm Registration No. 003330N), Chartered Accountants, as the Statutory Auditors of the Company for a further period of five years, from the conclusion of this Annual General Meeting till the conclusion of the Fifty First Annual General Meeting (subject to ratification of their appointment at every AGM), on such remuneration as may be decided by the Board of Directors of the Company from time to time."

SPECIAL BUSINESS

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special 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), approval of the Members of the Company be and is hereby accorded to the re-appointment of Mr. Chand Seth (DIN:00002944) as the Chairman & Managing Director of the Company for a further period of three years with effect from April 01, 2017, on the terms and conditions including remuneration as set out in explanatory statement attached hereto, with the liberty 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. Chand 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. Chand Seth, Chairman & Managing 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 the Board of Directors/ Company Secretary be and hereby severally authorized to do all such acts, deeds, matters and things, as may be considered necessary, proper or desirable in the said regard including filling of returns with any authority."

5. 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), approval of the Members of the Company be and is hereby accorded to the re-appointment of Mr. Ramesh Mehra (DIN:00003334), as the Whole Time Director of the Company, for a further period of three years with effect from September 01, 2017, on the terms and conditions including remuneration as set out in explanatory statement attached hereto, with the liberty 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. Ramesh Mehra, 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. Ramesh Mehra, 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 the Board of Directors/ Company Secretary be and hereby severally authorized to do all such acts, deeds, matters and things, as may be considered necessary, proper or desirable in the said regard including filling of returns with any authority."

By Order of the Board of Directors
For Pearl Polymers Limited

Place: New Delhi
Date: August 09, 2017

Priyanka
Company Secretary
Membership No: 36870



NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
2. In terms of Section 152 of the Companies Act, 2013, Mr. Varun Seth (DIN:00017552) Director, is liable to retire by rotation at the ensuing AGM and being eligible, offer himself for re-appointment. Brief profile and information as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of appointment of Director is furnished in the annexed Explanatory Statement.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.** Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty Members and holding in aggregate not more than ten percent of the total Share Capital of the Company carrying voting rights. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member.

The instrument appointing Proxy, duly filled, stamped, dated and signed shall be deposited at the Registered Office of the Company at least **FORTY EIGHT HOURS** before the time for holding the AGM. Proxy Form is enclosed and forms an integral part of the Annual Report. Proxies submitted on behalf of Companies, Societies, etc., must be supported by an appropriate resolution/authority, as applicable.
4. Members/proxies are requested to bring their duly filled attendance slip annexed hereto, to attend the AGM mentioning therein details of their DP and Client ID/ Folio No.
5. In case of joint holders attending the AGM, only such joint holder whose name stands first or higher on the Register of Members shall be entitled to vote.
6. As an austerity measure, copies of the Annual Report will not be distributed at the AGM. Members are requested to bring their copy of Annual Report to the Meeting.
7. Relevant documents are open for inspection by the Members at the Registered Office of the Company on all working days between 11.00 A.M. and 01.00 P.M. till the date of the AGM.
8. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 23, 2017 to Friday, September 29, 2017 (both days inclusive).
9. The Members whose names appear on the Company's Register of Members as on Friday, September 22, 2017 ("cut-off date") will be eligible to attend and vote at the AGM.
10. All correspondence relating to change of address, change in the e-mail ID already registered with the Company, transfer/ transmission of shares, issue of

duplicate share certificates, consolidation of folios, bank mandates and all other matters relating to the shareholding in the Company may be made to MAS Services Ltd., the registrar and share transfer agent ("MAS"). The Members holding shares in dematerialized form may send such communication to their respective depository participant/s (DPs).

11. Members can avail the facility of nomination in respect of shares held by them pursuant to the provisions of section 72 of the Companies Act, 2013. Members desiring to avail this facility may send their nomination in the prescribed Form no. SH-13 duly filled in to the Company / MAS / DP. The prescribed form can be obtained from the RTA/ DPs.
12. **TRANSFER OF UNCLAIMED FIXED DEPOSITS TO INVESTORS EDUCATION & PROTECTION FUND (IEPF)**

The Company has transferred the unclaimed fixed deposits up to the financial year 2009-2010 from time to time on due dates to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Section 125 of Companies Act, 2013, the Company has uploaded the details of unclaimed fixed deposit lying with the Company as on 30 September, 2016 (date of last AGM) on the website of the Company as also on the website of the Ministry of Corporate Affairs.
13. As an eco-friendly measure intending to benefit the society at large, we request you to be part of the e-initiative and register your e-mail address to receive all communication and documents including Annual Reports from time to time in electronic form to the e-mail ID provided by you. Members holding shares in dematerialised form may send such communication to their respective DPs and those holding shares in physical form may send such communication to the Company/ MAS. Members who still hold share certificates in physical form are advised to dematerialize their shareholding to avail the benefits of dematerialisation, which include easy liquidity.
14. Pursuant to Sections 101 and 136 of the Companies Act, 2013 read with relevant Rules framed thereunder, the Annual Report for financial year 2016-17 and the Notice of the AGM, inter-alia indicating the process and manner of Remote e-voting alongwith the attendance slip and proxy form are being sent by e-mail to those Members who have registered their e-mail ID either with the Company/RTA or with the Depository unless the Member has requested for a hard copy of the same. For Members who have not registered their e-mail ID, physical copies of the Annual Report for financial year 2016-17 and the Notice of the AGM, inter-alia, indicating the process and manner of Remote e-voting along with the attendance slip and proxy form, will be sent in the permitted mode.
15. Shareholders are requested to send their queries, if any, on Annual Report, to the Company Secretary, at least seven days before the date of the AGM, so that the requisite information/ explanations can be provided in

time.

16. Notice of the AGM and the Annual Report is made available on the Company's website www.pearlpet.net
17. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in physical form can submit their PAN to the Company/ MAS.
18. A route map for the AGM venue is provided at the back cover of the Annual Report.

Voting through Electronic Means

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Secretarial Standard-2 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its Members facility to exercise their right to vote on Resolutions proposed to be considered at the 46th AGM by electronic means which includes "remote e-voting" i.e., from a place other than venue of the AGM, provided by National Securities Depository Limited ("NSDL"). 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 of the AGM.

19. The Members desiring to vote through electronic mode may refer to the detailed procedure for Remote E-voting given in the Attendance Slip, annexed to this Annual Report.
20. The Remote E-voting period will commence on Tuesday, September 26, 2017 (9.00 A.M.) and ends on Thursday, September 28, 2017 (5:00 P.M.).
21. Facility for voting through ballot/polling paper shall also be made available at the venue of AGM to the members who have not already cast their vote by remote E-voting.
22. Ms. Rashmi Sahni, Practicing Company Secretary (Certificate Practice No: 10493) has been appointed as the Scrutinizer for conducting remote e- voting facility and the voting process at the AGM in a fair and transparent manner. The Scrutinizer will submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith with details of the number of votes cast for and against the resolution, invalid votes and whether the resolution has been carried or not.
23. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.pearlpet.net and on the website of NSDL, simultaneously the Company shall forward the results to the Stock Exchange(s).

EXPLANATORY STATEMENTS AS REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO.3

Sehgal Mehta & Co. (Firm Registration No. 003330N) Chartered Accountants, have completed their first tenure of five (5) years in the Company at the ensuing AGM. In view of the same, the Board of Directors at its meeting held on May 30, 2017, pursuant to the recommendation of Audit Committee and subject to the approval of Members of the Company, has re-appointed Sehgal Mehta & Co., Chartered Accountants as Statutory Auditors of the Company for a further period of five (5) years i.e. from the conclusion of 46th Annual General Meeting till the conclusion of 51st Annual General Meeting.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution.

ITEM NO. 4 & 5

Mr. Chand Seth, has attained the age of 73 years, hence continuation of his employment as Chairman and Managing Director requires the approval of Members by way of a Special Resolution. Section 196(3) of the Companies Act, 2013, inter alia, provides that no company shall continue the employment of a person who has attained the age of 70 years, as Managing Director, Whole time director or Manager unless it is approved by the Members by passing a Special Resolution.

The Board of Directors ("the Board") of the Company, at its meeting held on February 09, 2017 and May 30, 2017 respectively, has subject to the approval of Members, reappointed Mr. Chand Seth, as the Chairman & Managing Director and Mr. Ramesh Mehra, as the Whole Time Director of the Company for a period of 3 (three) years with effect from April 01, 2017 and September 01, 2017, respectively on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee of the Board and approved by the Board of Directors.

It is proposed to seek the Member's approval by way of Special Resolution for the re-appointment of and remuneration payable to Mr. Chand Seth as the Chairman & Managing Director and by way of Ordinary Resolution for the re-appointment of Mr. Ramesh Mehra as the Whole Time Director, in terms of the applicable provisions of the Companies Act, 2013.

The terms of re-appointment of and remuneration payable to Mr. Chand Seth are as under:

A. REMUNERATION including Basic salary, House rent allowance, Medical Reimbursement, Leave Travel Concession etc. aggregating to, but not exceeding Rs. 59,40,000 (Rupees Fifty Nine Lakhs and Forty Thousand Only) per annum.

B. PERQUISITES IN ADDITION TO THE ABOVE

1. Provident Fund: Company's contribution to Provident Fund, if applicable, 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.

- 2. 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.
- 3. Free use of Company's car with driver for business of the Company.
- 4. 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. Chand Seth should be paid a consolidated remuneration of Rs. 59,40,000 (Rupees Fifty Nine Lakhs and Forty Thousand Only) per annum and the permissible perquisites in accordance with the provisions of Schedule V to the Companies Act, 2013.

Except Mr. Chand Seth and his relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution.

The terms of re-appointment of and remuneration payable to Mr. Ramesh Mehra are as under:

- A. **REMUNERATION** including Basic salary, House rent allowance, Medical Reimbursement, Leave Travel Concession, etc. aggregating to, but not exceeding Rs. 18,00,000 (Rupees Eighteen Lakhs Only) per annum.
- B. **PERQUISITES IN ADDITION TO THE ABOVE**
 - 1. Provident Fund: Company's contribution to Provident Fund, if applicable, 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.
 - 2. 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.
 - 3. Free use of Company's car with driver for business of the Company.
 - 4. 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. Ramesh Mehra should be paid a

B. INFORMATION ABOUT THE DIRECTORS RETIRING BY ROTATION / SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING:

Description	Mr. Chand Seth	Mr. Ramesh Mehra	Mr. Varun Seth
Background details/Qualification	Mr. Chand Seth holds a degree in B.Tech (Mech.) from IIT (Kharagpur) and MS from Michigan University, USA, he has a rich experience of over 47 years in the field of Polymers.	Mr. Ramesh Mehra holds Bachelor degree in Engineering and Law. He has a rich experience of over 39 years in Commercial and Marketing field.	Mr. Varun Seth holds Bachelor degree in Engineering (Industrial Production). He has a rich experience of over 21 years in various fields like marketing, manufacturing etc.

consolidated remuneration of Rs. 18,00,000 (Rupees Eighteen Lakhs Only) per annum and the permissible perquisites in accordance with the provisions of Schedule V to the Companies Act, 2013.

Besides the remuneration paid to Mr. Ramesh Mehra as Director, other than Mr. Ramesh Mehra, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution.

For the purpose of calculating the above ceiling, perquisites shall be evaluated in accordance with the Income Tax Rules, wherever applicable, in the absence of any such Rules, perquisites shall be valued at actual cost.

ADDITIONAL INFORMATION'S AS REQUIRED UNDER SCHEDULE V OF THE COMPANIES ACT, 2013 AND SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ARE GIVEN BELOW:

A. GENERAL INFORMATION:

(i) **Nature of Industry:** The Company is a leading Manufacturer of PET Jars and Bottles.

(ii) **Expected date of commencement of commercial production:** The Company is an existing Company.

(iii) **Financial Performance based on given indicators:** The relevant financial figures (Audited) as under:
(Rs. In Lakhs)

Total Income	Total Expenses	Net Profits before Tax	Tax Expenses	Net Profit after Tax
17550.54	16407.79	61.13	24.79	36.34

(iv) **Earning and Expenditure in foreign currency:** The Company has recorded export earnings of Rs. 5.42 Lakhs, import payments of Rs. 1337.22 Lakhs and expenses in foreign exchange of Rs. 2.31 Lakhs, details of which have been incorporated in note no. 34 to 36 to the Notes to financial statements.

(v) **Foreign Investments or collaborators, if any:** Not Applicable.

Past remuneration	Rs. 54.00 Lakhs P. A.	Rs. 18.00 Lakhs P. A.	Rs. 42.00 Lakhs P. A.
Shareholding	8,90,475 Equity Shares	NIL	5,97,778 Equity Shares
Recognition or Awards	The Company won various awards namely World Star Award, Asia Star Award and Johnson & Johnson Worldwide Sustainability Award under their leadership. Mr. Chand Seth has been honoured by Lifetime Achievement Award for contribution to innovations and growth of the PET packaging sector in India.		
Job profile and responsibility	He is overall in charge of entire affairs of the Company. His experience in the field of polymers and his qualifications are ideally suited to the nature of our Industry, the benefits of which the Company has reaped over the years.	He has rich experience in Commercial and Marketing field and has immensely contributed towards achievement of our corporate goals	He has been actively involved in planning and framing of business strategies for introducing new products and clients for the Company. He has made significant contributions in the growth of Company.
Remuneration proposed	As provided in the resolution		Not Applicable
Comparative profile with respect to industry, size of the Company, profile of the position & person	Considering the size of the Company, the profile of the Managing Director & Whole Time Director, the responsibilities shouldered by them, in depth knowledge in operations and the industry benchmarks, the remuneration proposed is commensurate with the remuneration paid to similar appointees in other Companies.		
Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	Mr. Chand Seth is one of the Promoter of the Company. He is related to Mr. Varun Seth, Whole time Director of the Company.	Besides the remuneration paid to Mr. Ramesh Mehra as Director, does not hold any other pecuniary relationship with the Company.	Mr. Varun Seth is one of the person forming part of Promoter Group. He is related to Mr. Chand Seth, Chairman & Managing Director of the Company.
Outside Directorships	I. Pearl Flats (India) Ltd II. Pearl Telefonics Ltd III. Theta Investment Pvt. Ltd IV. Pacific Pearl Finance & Leasing Ltd V. Indo Nippon Chemical Co. Ltd	I. Pearl Engineering Polymers Ltd II. Pearl Apartments Ltd III. Amit Apartments Ltd IV. Speedshore Trading Company Pvt Ltd	I. Pacific Pearl Finance & Leasing Ltd II. Pearl Flats (India) Ltd III. Theta Investment Pvt. Ltd

C. OTHER INFORMATION:

- I. Reasons of Inadequate Profits:** The operations of the company during the year were adversely impacted due to the declining and subdued sales. Further, cut throat competition in Pet Bottle and Jar market has led to lower profits.
- II. Steps taken or proposed to be taken for Improvement:** The Company has been taking all measures within its control to maximize efficiencies and optimize costs to lower the cost of production.
- III. Expected increase in Productivity and Profits in measurable terms:** The Company expects to increase the productivity and profit by increasing new mandates. All possible efforts are making to increase market database. As a result Company expects to improve both the top line and the bottom line growth. The aforesaid measures are expected to substantially increase the productivity and profits of the Company.

D. Disclosures: The information and disclosures of the remuneration package and committee position held by the managerial personnel have been provided in the Corporate Governance Report.

By Order of **the Board of Directors**

For **Pearl Polymers Limited**

Priyanka

Company Secretary

Membership No: 36870

Place: New Delhi

Date: August 09, 2017

Registered Office:

A-97/2, Okhla Industrial Area,

Phase-II, New Delhi-110020