



PEARL Polymers Limited

NOTICE TO MEMBERS

NOTICE is hereby given that the **Forty Seventh Annual General Meeting** ("AGM") of the Members of Pearl Polymers Limited (CIN:L25209DL1971PLC005535) will be held on Friday, 28th day of September 2018, at 11.00 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 Standalone Financial Statements of the Company for the financial year ended on March 31, 2018 together with reports of the Board of Directors' and the Auditors' thereon.
2. To appoint a Director in place of Mr. Chand Seth (DIN: 00002944), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. 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 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(s) thereof, for the time being in force), and the Articles of Association of the Company and subject to such other approvals as may be necessary, approval of the Members be and is hereby accorded to re-appoint Mr. Varun Seth (DIN: 00017552) as a Whole-time Director, liable to retire by rotation, for a further period of three (3) years from the expiry of his present term of office, that is, with effect from July 01, 2018 on the terms and conditions and remuneration including minimum remuneration to be paid in the event of loss or inadequacy of profits in any financial year as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall include the Committee of the Board) 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 in the event of loss or inadequacy of profits in any financial year, Mr. Varun Seth shall be entitled to receive remuneration including perquisites, etc. upto the limit as approved by the Members herein above, as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors/ Company Secretary be and is 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 14, 2018

Priyanka
Company Secretary
M. No: ACS-36870

Registered Office:
A-97/2, Okhla Industrial Area,
Phase-II, New Delhi-110020
CIN: L25209DL1971PLC005535



NOTES:

- i. **Proxy: A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING (AGM) IS AUTHORIZED TO APPOINT ANOTHER PERSON AS PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Proxies, in order to be valid and effective, must be delivered at the registered office of the Company not later than 48 hours before the commencement of the meeting.

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10%, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. Proxies submitted on behalf of Companies, must be supported by an appropriate resolution/authority as applicable.

- ii. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business at Item No. 3 of the Notice is annexed hereto.
- iii. In terms of Section 152 of the Companies Act, 2013, Mr. Chand Seth (DIN: 00002944) Director, is liable to retire by rotation at the ensuing AGM and being eligible, offer himself for re-appointment. Brief profile, information and relevant details, pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM is annexed hereto.
- iv. 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.
- v. 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.
- vi. 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.
- vii. Relevant documents referred in accompanying Notice and Explanatory Statement are open and available for inspection by the Members at the registered office of the Company on all working days except Saturdays and will also be available at the AGM between 11.00 A.M. and 01.00 P.M.
- viii. 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 ("RTA"). The Members holding shares in dematerialised form may send such communication to their respective Depository Participants ("DP's").

- ix. **THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") HAS DECIDED THAT SECURITIES OF LISTED COMPANIES CAN BE TRANSFERRED ONLY IN DEMATERIALISED FORM. IN VIEW OF THE ABOVE AND TO AVAIL VARIOUS BENEFITS OF DEMATERIALISATION, MEMBERS ARE ADVISED TO DEMATERIALISE SHARES HELD BY THEM IN PHYSICAL FORM.**
- x. 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 DP's with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ RTA.
- xi. SEBI has also instructed to update PAN and Bank Details of Members. Accordingly Members are requested to intimate under the signature of the sole/first joint holder about the Bank Account Number, type of Account, saving (SB) or current (CA), name and address of the Bank and change, if any for claiming statutory benefits in future when provided. Shareholders holding shares in physical form may kindly arrange to forward the appended form duly completed and signed to the Company/ RTA, for necessary action. Shareholders holding shares in demat/electronic form may kindly arrange to update their Bank particulars with their respective DP's.
- xii. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 22, 2018 to Friday, September 28, 2018 (both days inclusive).
- xiii. The Members whose names appear on the Company's Register of Members as on Friday, September 21, 2018 ("cut-off date") will be eligible to attend and vote at the AGM.
- xiv. 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 / RTA / DP's.
- xv. **TRANSFER OF UNCLAIMED FIXED DEPOSITS TO INVESTORS EDUCATION AND PROTECTION FUND (IEPF)**
- The Company has transferred time to time the unclaimed amount of deposits which remained unpaid or unclaimed for seven consecutive years 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 September 29, 2017 (date of last AGM) on the website of the Company as also on the website of the Ministry of Corporate Affairs.
- xvi. 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 DP's and those holding shares in physical form may send such communication to the Company/ RTA. Members who still hold share certificates in physical form are advised to dematerialise their shareholding to avail the benefits of dematerialisation, which include easy liquidity.

- xvii. Pursuant to Sections 101 and 136 of the Companies Act, 2013 read with relevant Rules framed thereunder, the Annual Report for financial year 2017-18 and the Notice of the AGM, inter-alia indicating the process and manner of remote e-voting alongwith the attendance slip, proxy form and Route Map are being sent by e-mail to those Members who have registered their e-mail ID either with the Company/RTA or with the DP's 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 2017-18 and the Notice of the AGM, inter-alia, indicating the process and manner of remote e-voting along with the attendance slip, proxy form and Route Map, is being sent in the permitted mode.
- xviii. Shareholders are requested to send their queries, if any, with regard to Financial Result/ Accounts/ 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.
- xix. Notice of the AGM and the Annual Report is made available on the Company's website www.pearlpet.net.

xx. 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 and Regulation 44 of the SEBI (LODR) 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 47th 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"). Members of the Company holding shares in physical form or in dematerialised form may exercise their right to vote by electronic means in respect of the resolutions contained in the Notice of the AGM.

- 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.
- The remote e-voting period will commence on Tuesday, September 25, 2018 (09.00 A.M.) and ends on Thursday, September 27, 2018 (05:00 P.M.). During this period, the Members of the Company holding shares in physical form or in dematerialised form, as on the cut-off date, being Friday,

September 21, 2018, may cast their vote by electronic means in the manner and process set out hereinabove. The e-voting module shall be disabled for voting thereafter.

- Facility for voting through ballot/polling paper shall also be made available at the venue of AGM. The Members who are entitled to vote but have not exercised their right to vote through remote e-voting may vote at the AGM through Ballot Paper(s).
- The Members who have cast their vote by remote e-voting may also attend the AGM but shall not be entitled to cast their vote again.
- 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 shall immediately after the conclusion of voting at the AGM, count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizers Report of the total votes cast in favour of or against, if any, not later than 48 hours after the conclusion of the AGM to the Chairperson of the Company. The Chairperson, or any other person authorised by the Chairperson, 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.
- The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company www.pearlpet.net and on the website of NSDL after communication of the same to the BSE Limited and the National Stock Exchange of India Limited.

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

ITEM NO.3

Mr. Varun Seth (DIN:00017552) had been appointed as Whole Time Director of the Company at the 44th AGM of the Company held on September 30, 2015, for the period of three (3) years w.e.f July 01 2015. Accordingly, pursuant to recommendations of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on May 29, 2018 have re-appointed Mr. Varun Seth (DIN: 00017552) as Whole Time Director for a further period of three (3) years with effect from July 01, 2018.

The principal terms and conditions of re-appointment of Mr. Varun Seth as Whole Time Director inter alia contain the following.

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

**B. PERQUISITES AND OTHER STATUTORY BENEFITS**

- Housing:** Expenditure by the Company on hiring furnished/unfurnished 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.
- The Company's contribution to provident fund, superannuation fund or annuity fund, gratuity payable and encashment of leave, as per the rules of the Company.
- Medical reimbursement/allowance: Reimbursement of actual expenses for self and family and/or allowances will be paid as per the rules of the Company.
- Provision of driver/allowance for driver's salary: As per the rules of the Company.
- Expenses in relation to use Company car and telephone for official purpose.
- Any other expenses incurred/reimbursed not specifically included hereinabove.

In compliance with the provisions of Sections 2(78), 2(94), 197, and 203 read with Schedule V of the Companies Act 2013 and other applicable provisions, if any, the appointment and terms of remuneration specified above are now being placed before the Members for their approval by an Ordinary Resolution.

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

Description	Mr. Varun Seth	Mr. Chand Seth
Background details/Qualification	Mr. Varun Seth joined the Company in the year 2006 as the Whole Time Director. He holds Bachelor degree in Engineering (Industrial Production). He has a rich experience of over 22 years in various fields like marketing, manufacturing etc. His Director Identification Number is 00017552. Mr. Varun Seth is continuously running the operations of the Company in good as well as in difficult times.	Mr. Chand Seth holds a degree in B.Tech (Mech.) from IIT (Kharagpur) and MS from Michigan University, USA. He took charge as Managing Director of the Company and has taken very pro-active efforts in the operations and management of the Company since then. He has wide experience in managing this Company under the overall experience of about 48 years in running large size manufacturing Company.
Past remuneration	Rs. 42.00 Lakhs (per annum)	Not Applicable
Shareholding	5,97,778 equity shares	8,90,475 equity shares
Job profile and responsibility	Mr. Varun Seth with whose rich experiential background, the Company remains reinforced to strive through the challenging times and bounce back on the growth chart. Thus, he is ideally suited for the job.	Mr. Chand Seth 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.
Recognition or Awards	The Company won various awards namely India Star Award, Asia Star Award, World Star Award and Plasticon Award by Plast India under leadership of Mr. Varun Seth.	Not Applicable

Except Mr. Chand Seth being related to Mr. Varun Seth, no other Director, Manager and Key Managerial Personnel (KMP) or relatives of such Director, Manager or KMP are interested/ concerned financial or otherwise in this resolution.

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:**

- Nature of Industry:** The Company is a leading Manufacturer of PET Jars and Bottles.
- Expected date of commencement of commercial production:** Commercial operations commenced in the year 1971.
- Financial Performance based on given indicators:** The relevant financial figures (Audited) as under:

(Rs. In Lakhs)

Total Revenue	Total Expenses	Net Profits before Tax	Tax Expenses	Net Profit after Tax
18,279.67	18,716.86	(437.19)	(174.04)	(263.15)

- Earning and expenditure in foreign currency:** The Company has recorded export earnings of Rs. 27.67 Lakhs whereas value of import payments towards raw material and capital goods amount to Rs. 2409.56 Lakhs, details of which have been incorporated in note no. 40 to 43 to the Notes to financial statements.
- Foreign Investments or collaborators, if any:** Not Applicable.

**PEARL Polymers Limited**

Remuneration proposed	As provided in the resolution	Not Applicable
Comparative profile with respect to industry, size of the Company, profile of the position and person	In the present challenging business environment, the duties and responsibilities of Mr. Varun Seth as Whole Time Director has grown manifold. There is a continuous need for formulation of competitive strategies and periodical review for successful implementation and sustained overall development of the Company. He is having vast experience of corporate management and possesses all required competencies.	Not Applicable
Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel	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.	Mr. Chand Seth is one of the Promoter of the Company. He is related to Mr. Varun Seth, Whole Time Director of the Company.
Outside Directorships	Pacific Pearl Finance & Leasing Ltd Pearl Flats (India) Ltd Theta Investment Pvt. Ltd	Pearl Flats (India) Ltd Pearl Telefonics Ltd Theta Investment Pvt. Ltd Pacific Pearl Finance & Leasing Ltd Indo Nippon Chemical Co. Ltd

C. OTHER INFORMATION:

- I. **Reasons of loss or Inadequate Profits:** The Company's' operating businesses have been under severe pressure such as increase in crude price, impacting raw material prices and disruptions in industry due to demonetization and regulatory changes which pose a challenge to profitability. Consequently, though there is an increase in the net sales and other income, the Company has posted losses for the year 2017-18. However, the Company may be able to post better results over a period of years and improve its financial health.
- II. **Steps taken or proposed to be taken for Improvement:** The Company is always looking forward to take all such steps and measures including expansion, diversification which are in the best interest of the Company. Though, the prices of raw materials and products are influenced by external factors, the Company is making all possible efforts to improve the margins thereby hopeful of posting better results in the forthcoming years.
- III. **Expected increase in Productivity and Profits in measurable terms:** The Company is continuing its efforts to address the issues of increasing its productivity levels and there by optimizing its profits, despite various constraints faced by the Company. While it is difficult to give precise figures, the above initiatives are expected to improve further the productivity and profitability.
- D. **Disclosures:** The information and disclosures of the remuneration package and committee position held by the Directors and Key Managerial Personnel have been provided in the Corporate Governance Report.

By Order of the Board of Directors
For Pearl Polymers Limited

Place: New Delhi
Date: August 14, 2018

Priyanka
Company Secretary
M. No: ACS-36870

Registered Office:
A-97/2, Okhla Industrial Area,
Phase-II, New Delhi-110020
CIN: L25209DL1971PLC005535