



43rd

ANNUAL REPORT

2013-2014

PEARL POLYMERS LIMITED

BOARD OF DIRECTORS

Mr. Chand Seth	-	Chairman & Managing Director
Mr. Varun Seth	-	Whole-Time Director
Mr. Ramesh Mehra	-	Director
Mr. Mahavir Singh	-	Nominee Director (HSIIDC)
Mr. Ravi Mehra	-	Additional Director
Ms. Meera Johri	-	Additional Director
Mr. Ashish Harish Bhuva	-	Additional Director

COMPANY SECRETARY**Ms. Deepika Sati****AUDITORS**

Sehgal Mehta & Co.
Chartered Accountants
10173/2, Block No. 15,
Abdul Aziz Road,
W.E.A., Karol Bagh,
New Delhi-110005

BANKERS

Bank of Baroda
Allahabad Bank
IDBI Bank

REGISTERED OFFICE

A-97/2, Okhla Industrial Area Phase-II,
New Delhi-110 020

SHARE DEPARTMENT

A-97/2, Okhla Industrial Area Phase-II,
New Delhi-110 020
Ph. : 47385300, Fax : 47480746

**REGISTRAR & SHARE TRANSFER
AGENT**

MAS Services Ltd.
T-34, IInd Floor, Okhla Industrial Area,
Phase-II, New Delhi-110020
Ph : 011-26387281/82/83
Fax:011-26387384
E-mail:mas_serv@yahoo.com

WORKS:**Mahad**

B-3/2/1, MIDC Industrial Estate, Mahad, Distt. Raigad,
Maharashtra - 403302
B-3/2/2, MIDC Industrial Estate, Mahad, Distt. Raigad,
Maharashtra - 403302
B-3/2/3, MIDC Industrial Estate, Mahad, Distt. Raigad,
Maharashtra - 403302

Jigani

13-A, Part-I Jigani Industrial Area
Distt. Anekal Bangalore, Karnataka

Baddi

Khasra No. 512-513, Village-Sandholi (Baddi),
Tehsil-Nalagarh Distt- Solan (H.P)

Pant Nagar

Plot No. 45, Sector-3, Village Kalyanpur, Tehsil Kichha,
Distt. U.S. Nagar, IIE, Pantnagar, Uttaranchal.

NOTICE

NOTICE is hereby given that the 43rd (Forty Third) Annual General Meeting of the members of Pearl Polymers Limited (CIN L25209DL1971PLC005535) will be held on Monday, the 29th day of September, 2014 at 11.30 a.m. at A-97/2, Okhla Industrial Area, Phase-II, New Delhi-110 020, to transact the following businesses:-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Financial Statements of the Company for the year ended March 31, 2014, including audited Balance Sheet as at March 31, 2014, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Varun Seth (DIN No. 00017552), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint 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 M/s. Sehgal Mehta & Co., Chartered Accountants (ICAI Firm Registration No. 003330N), be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Forty Sixth Annual General Meeting of the Company (subject to ratification of the appointment by the members at every AGM held after this AGM) at such remuneration as shall be fixed by the Board of Directors.”

SPECIAL BUSINESS :

4. To re-appoint Shri Chand Seth (DIN 00002944) as Managing Director and in this regard 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 Company be and is hereby accorded to the re-appointment of Shri Chand Seth (DIN 00002944) as the Chairman & Managing Director of the Company, for a period of 3 (three) years with effect from April 01, 2014, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, 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 Shri 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 Shri Chand Seth, Chairman and 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 of the Company be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. To appoint Shri Ramesh Mehra (DIN 00003334) 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), approval of the Company be and is hereby accorded to the appointment of Shri Ramesh Mehra (DIN 00003334) as the Whole Time Director of the Company, for a period of 3 (three) years with effect from September 01, 2014, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, 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 Shri 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 Shri 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 of the Company be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. To appoint Shri Ravi Mehra (DIN 06882167) as an Independent 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 pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Ravi Mehra (DIN 06882167), who was appointed as an Additional Director with effect from May 26, 2014 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to September 28, 2019.

RESOLVED FURTHER THAT pursuant to the provisions of sections 149, 197 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Ravi Mehra be paid such fees and remuneration and profit related commission as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. To appoint Smt. Meera Johri (DIN 06881924) as an Independent 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 pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Smt. Meera Johri (DIN 06881924), who was appointed as an Additional Director with effect from May 26, 2014 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to September 28, 2019.

RESOLVED FURTHER THAT pursuant to the provisions of sections 149, 197 and any other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Smt. Meera Johri be paid such fees and remuneration and profit related commission as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. To appoint Shri Ashish Harish Bhuvra (DIN 06780082) as an Independent 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 pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Ashish Harish Bhuvra (DIN 06780082), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of

Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to September 28, 2019.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 197 and any other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Ashish Harish Bhuva be paid such fees and remuneration and profit related commission as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

9. To consider, and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Article of Association of the Company, be and is hereby altered in the following manner:

- (i) By adding new Article 95A immediately after the existing Article 95 as under:

Article 95A

"The Board of Directors may, from time to time, appoint/re-appoint an Individual as Chairman as well as Managing Director or Chief Executive Officer of the Company."

- (ii) By substituting the existing Article 138 of the Article of Association of the Company with the new Article 138 as under:

Article 138

"The Board of Directors shall provide a Common Seal for the purpose of the Company and shall have the power from time to time to destroy the same and substitute a new Seal in lieu thereof. The Board shall provide for the safe custody of the Seal for the

time being. The Seal shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least one director and such other official as the Board may appoint for the purpose or in the presence of at least two officials of the Company as the Board/Committee of the Board may authorize for the purpose and those one director and authorized official or two authorized official aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence"

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

10. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT in supersession of the Ordinary Resolution passed at the 24th Annual General Meeting of the members of the Company held on July 14, 1995 and pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors to borrow, from time to time, such sum or sums of money, as they may deem necessary for the purpose of the business of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from cash credit arrangement, discounting of bills and other temporary loans obtained from company's bankers in the ordinary course of business) and remaining outstanding at any point of time will exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money/monies so borrowed by the Board shall not at any time exceed the limit of Rs.350 crores (Three Hundred Fifty Crores Only)."

By Order of the Board of Directors
Pearl Polymers Limited

Registered Office:
A-97/2, Okhla Industrial Area,
Phase-II, New Delhi-110 020
September 01, 2014

Deepika Sati
Company Secretary

**NOTES:**

1. **A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of him/ herself and the proxy need not be a member of the Company. The instruments appointing the proxy, in order to be effective, should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent 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 a proxy for any other person or shareholder.

2. Corporate members intending to send their authorized representatives to attend the 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 Meeting.
3. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to Special Businesses to be transacted at the Meeting is annexed hereto.
4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting. As a measure of economy, Annual Reports shall not be distributed at the Meeting.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. In accordance with the provisions of Section 152(6) of the Companies Act, 2013 read with the Articles of Association of the Company, Shri Varun Seth, Director, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment. The Board of Directors of the Company commends his re-appointment.
7. Brief resume of Directors proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement, form part of this Annual Report.
8. The Register of Members and Share Transfer Books of the Company will remain closed from **Tuesday, the 23rd**

day of September, 2014 to Monday, the 29th day of September, 2014 (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.

9. Members holding shares in physical form either in multiple folios with identical names or joint holdings in the same order are requested to send their Share Certificates to the Company or M/s MAS Services Limited, Registrar and Share Transfer Agent of the Company for consolidation into a single folio.
10. The Company's shares are admitted in both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for custody and dematerialization of securities. For the shareholder's convenience, the process for getting shares dematerialized is as follows:

- Shareholders shall submit original share certificate along with De-materialization Request Form (DRF) to the Depository Participants (DP).
- DP shall process the DRF, generate a unique De-materialization request number and forward the DRF along with share certificate to the Registrar and Share Transfer Agent (RTA).
- RTA after processing the DRF will confirm/reject the request to depositories.
- If confirmed by RTA, depositories will credit shareholders Account maintained with DP.

The entire process shall take approximately 10-15 days from the date of receipt of DRF. All shareholders who hold shares of the Company in physical form may get their shares dematerialized to enjoy paperless and easy trading of shares.

11. 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 electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/RTA.
12. The Ministry of Corporate Affairs had notified provisions relating to the Share Capital & Debentures under the Companies Act, 2013 with effect from April 01, 2014. Now the transferee(s) need to send share certificate(s) along with share transfer deed and copy of PAN Card in the prescribed Form SH-4, duly filled in, executed and share transfer stamps affixed, to the Company or its RTA.

13. In case of change in postal address or any incompleteness/ incorrectness in address mentioned in any correspondence by the Company, the shareholders are requested to intimate the correct/ complete postal address (including PIN Code) to the company or to the RTA at the earliest to ensure proper delivery of documents. If the shares are held in dematerialized form, information may be sent to the DP concerned and the RTA.
14. 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 ids are registered with the Company, through electronic mode, unless specific request is received from the member regarding physical delivery of documents. Accordingly, the Members are requested to register their valid e-mail ids with the Depositories (in case of Demat Holding) and the Company or RTA (in case of Physical holding). We solicit your valuable co-operation and support in our endeavor to contribute our bit to the Environment
15. The Annual Report of the Company for the financial year 2013-14 is being sent in electronic mode to members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the members have registered their request for a hard copy of the same and physical copies are being sent to those members who have not registered their e-mail IDs with the Company or Depository Participant(s).
16. Pursuant to the provisions of the Companies Act, 1956, the Company has transferred the unpaid or unclaimed deposits remaining unpaid or unclaimed for a period of seven years, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 23, 2013 (date of last Annual General Meeting) on the website of the Ministry of Corporate Affairs.
17. 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, except Saturdays, during 10.30 a.m. and 12.30 p.m., up to the date of the AGM. Shareholders having any question on financial statements or any agenda item proposed in the notice of AGM are requested to send their queries at least ten days prior to the date of AGM of the Company at its registered office address to enable the Company to collect the relevant information.
18. Pursuant to Section 108 of the Companies Act, 2013, read with the Companies (Management & Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company is pleased to provide the facility to members to exercise their right to vote by electronic means. The Company has fixed August 29, 2014, as a cut-off date to record the entitlement of the shareholders to cast their vote at the 43rd Annual General Meeting (AGM) by electronic means under the Companies Act, 2013 and rules made thereunder. Consequently the same cut-off date i.e. August 29, 2014 would record entitlement of the shareholders, who do not cast their vote electronically, to cast their vote at the 43rd AGM on September 29, 2014.
19. The e-voting period will commence at 9.00 a.m. on Monday, September 22, 2014 and will end at 6:00 p.m. on Wednesday, September 24, 2014. The Company has appointed Mr. R. S. Bhatia, Practising Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given on the Attendance Slip.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ('the Act')

Item No. 4&5:

The Board of Directors of the Company (the 'Board'), at its meeting held on February 11, 2014, has subject to the approval of members, re-appointed Shri Chand Seth, as the Chairman & Managing Director, for a period of 3 (three) years with effect from April 01, 2014 and by way of a resolution passed by circulation on September 01, 2014, appointed Mr. Ramesh Mehra, as the Whole Time Director of the Company w.e.f. September 01, 2014.

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

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

A. REMUNERATION

including Basic salary, House rent allowance, Expenditure on gas, electricity, water and furnishing, Medical Reimbursement, Leave Travel Concession etc. aggregating to, but not exceeding Rs.4,50,000/- (Rupees Four Lacs Fifty Thousand Only) per month.

**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, Shri Chand Seth should be paid a consolidated remuneration of Rs.4,50,000/- per month plus the permissible perquisites in accordance with the provisions of Schedule V to the Companies Act, 2013.

Shri Chand Seth upon re-appointment as the Chairman and Managing Director shall be subject to retirement by rotation during his tenure of appointment in the Company.

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

A. REMUNERATION

including Basic salary, House rent allowance, Medical Reimbursement, Leave Travel Concession, other perquisites and reimbursement of expenditure on gas, electricity, water, maintenance etc. aggregating to, but not exceeding Rs.18,00,000/- (Rupees Eighteen Lacs 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, Ramesh Mehra should be paid a consolidated remuneration of Rs.18,00,000/- (Rupees Eighteen Lacs Only) p.a. and the permissible perquisites in accordance with the provisions of Schedule V to the Companies Act, 2013.

Shri Ramesh Mehra upon re-appointment as the Executive Director shall be subject to retirement by rotation during his tenure of appointment in the Company.

Information required pursuant to the provisions of Schedule V to the Companies Act, 2013 and Clause 49 of the Listing Agreement is furnished as under:

I) 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: Not Applicable.
- (iii) 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.
- (iv) Financial Performance based on given indicators: The relevant financial figures (Audited) as under:

₹ In Lacs

Total Revenue	Expenses	Net Profits before Tax	Tax Expenses	Net Profit after Tax
22,635.52	22,583.46	52.06	(1.83)	53.89

- (v) Earning and Expenditure in foreign currency: Total foreign exchange earned was ₹ 71.35 Lacs against an outgo of ₹ 21.55 Lacs on import of Raw Material, ₹ 3.61 Lacs on import of Capital Goods and ₹ 8.86 Lacs on travelling and others.
- (vi) Foreign Investments or collaborators, if any: Not Applicable.

II) INFORMATION ABOUT THE APPOINTEES:**a) Background Details**

Shri Chand Seth is one of the promoters of the Company and has over 44 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. Ramesh Mehra is a Bachelor in Engineering and Law. He has a rich experience of over 36 years in Commercial and Marketing field.

b) Past Remuneration

During his earlier tenure of appointment as Chairman and Managing Director in the Company, Shri Chand Seth received total remuneration of Rs.3,50,000/- per month, as approved by the shareholders of the Company at the Annual General Meeting held on September 22, 2011.

Shri Ramesh Mehra has been on the Board of Directors of the Company as a Non- Executive and Independent Director since October 31, 2000 and has not drawn any remuneration during his tenure. Considering the knowledge and expertise of Shri Ramesh Mehra, the Board of Directors proposes to appoint him as the Whole Time Director with effect from September 01, 2014.

c) Recognition or Awards

Shri Chand Seth is a renowned personality in the field of polymers and has immensely contributed in introducing and developing various quality plastic products. 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

Shri Chand Seth is a Mechanical Engineer from IIT, Kharagpur and MS from Michigan University having a rich experience of over 44 years in the field of polymers. He is one of the Promoter Directors of the Company and is vested with the substantial powers of management of the Company. The Company has benefited and grown manifolds under his direction. 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.

Mr. Ramesh Mehra is a Bachelor in Engineering and Law. He has a rich experience of over 36 years in Commercial and Marketing field and has immensely contributed towards achievement of our corporate goals. He has been on the Board of the Company as Non-Executive and Independent Director since October 31, 2000 and considering his vast knowledge and experience the Board of Directors has proposed to appoint him as the Whole Time Director of 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 general and plastic 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.

Shri Chand Seth is one of the Promoters of the Company and has been instrumental in bringing significant growth in the volume of its business since inception. He is related to Shri Varun Seth, Whole time Director of the Company.

Shri Ramesh Mehra is not related to any of the Promoter, Director or Key Managerial Personnel of the Company.

III) OTHER INFORMATION:

- (a) Reasons of 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 which also consists of various small units.
- (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. 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.

IV) DISCLOSURE:

The Proposed Remuneration Package of the Managerial Personnel: As mentioned above.

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

Other than Shri Chand Seth, Chairman & Managing Director of the Company and his relatives, none of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item no. 4 of this Notice.

Other than Shri Ramesh Mehra, none of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item no. 5 of this Notice.

The Directors recommend the resolutions for the approval of the members.

Item No. 6, 7 & 8

The Board of Directors of the Company, appointed Shri Ravi Mehra and Smt. Meera Johri with effect from May 26, 2014 and Mr. Ashish Harish Bhuva with effect from September 01, 2014, as Additional Directors on the Board of the Company, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (hereinafter referred as 'the Act'), read with Article 96 of the Articles of Association of the Company.

In terms of the provisions of Section 161(1) of the Act, Shri Ravi Mehra, Smt. Meera Johri and Shri Ashish Harish Bhuva (hereinafter collectively referred to as 'the appointees') hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from member(s) alongwith deposit of requisite amount under Section 160 of the Act, proposing the candidature of the appointees for the office of Independent Directors of the Company.

The appointees are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors alongwith a declaration to the effect that they meet the criteria of Independence as provided under section 149(6) of the Act and Clause 49 of the Listing Agreement.

As per Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a Company and he/she shall not be included in the total number of directors for retirement by rotation.

The appointees have sound knowledge in the field of finance.

In the opinion of the Board, the appointees fulfill the conditions for their appointment as Independent Directors as specified in the Act and the Listing Agreement and are independent of the management.

Brief resume of Shri Ravi Mehra, Smt. Meera Johri and Shri Ashish Harish Bhuva, is as under:

Brief Resume of Shri Ravi Mehra: Shri Ravi Mehra holds the Bachelor degree in Chemistry and a Bachelor's degree in Chemical Engineering, USA. He also holds a Diploma in 'Marketing & Sales' from YMCA, Delhi. He has over 30 years of Industry experience which includes holding the position of Managing Director in 'Electrical & Industrial Ceramics Pvt. Ltd.' for a period of three years and Ravision Drugs Pvt. Ltd. for a period of 14 years. He also holds experience of working with Shyam Ahuja Pvt. Ltd at the senior level.

He also compiled & published a book 'Chemical & Medical Formulary of India' which listed all names & therapeutic effects of most commonly used drugs in India for usage by doctors & hospitals.

At present he is not a director in any other Company and he also doesn't hold membership/chairmanship of any Committee in other Company. He holds nil equity shares of the Company. Shri Ravi Mehra is not related to the management under the provisions of Companies Act, 2013 and Rules made thereunder and Clause 49 of the Listing Agreement.

Brief Resume of Smt. Meera Johri: Smt. Meera Johri is a renowned personality in the field of book publishing. She is heading a leading publication group by the name of 'Rajpal & Sons' and is actively widening the focus of publishing by adding on books in English and a range of dictionaries and is publishing authors like APJ Abdul Kalam, J. Krishnamurti, Jaswant Singh, Dalai Lama etc.

She has also written a number of books viz. Women in Power, Paramveer Chakra: Profiles in Courage; Inspiring Thoughts on Management; Inspiring Thoughts on Successful Leadership etc.

Smt. Meera Johri is a Graduate in Economics (Hons.) from the Indraprastha College, University of Delhi, and has done her Masters in Business Administration from the Faculty of Management Studies, University of Delhi. She was a marketing consultant for 12 years and has had experience of the electronics, plastics and travel industries.