

Notice

Registered Office: A-3, Community Centre, Naraina Industrial Area, Phase-II, New Delhi-110028

Corporate Office: Pearl Tower, Plot No.51, Sector-32, Gurugram-122001(Haryana)

Tel: 0124-4651000, Fax: 0124-4651010, Website: www.pearlglobal.com; e-mail: investor.pgil@pearlglobal.com

CIN: L74899DL1989PLC036849

NOTICE TO MEMBERS

Notice is hereby given that the 29th Annual General Meeting of the Members of Pearl Global Industries Limited will be held on Monday, 24th September, 2018 at 10:30 A.M. at Air Force Auditorium, Near R&R Hospital, Subroto Park, New Delhi-110010, to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2018 including the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Equity Shares for the financial year ended 31st March, 2018.
3. To appoint a Director in place of Mrs. Shefali Seth (DIN 01388430), who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint a Director in place of Mr. Vinod Vaish (DIN 01945795), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

5. TO APPROVE REVISION IN REMUNERATION OF MR. VINOD VAISH (DIN: 01945795), WHOLE-TIME DIRECTOR

To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT in partial modification of earlier Resolution passed by the shareholders at the 27th Annual General Meeting of the Company held on 27th September, 2016 and pursuant to the provisions of Sections 196, 197, and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force), approval of members of the company be and is hereby accorded to increase the remuneration of Mr. Vinod Vaish, Whole-time Director of the Company with effect from 1st November, 2017, for his remaining tenure.”

“RESOLVED FURTHER THAT Mr. Vinod Vaish will be entitled for the following remuneration per month as Whole-Time Director of the Company:

Particulars	(Amount in Rs.)
Basic Pay	68,890/-
House Rent Allowance	34,440/-
Special Allowance	20,742/-
Medical Allowance	1,250/-
Provident Fund & Gratuity	As per Company's rules

He will be provided a Company maintained Car with driver and a mobile phone for official purpose, and also be entitled for reimbursement of actual business expenses.

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts and deeds as may be necessary to give effect to this Resolution.”

6. TO RE-APPOINT MRS. SHEFALI SETH (DIN: 01388430) AS WHOLE-TIME DIRECTOR

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force) and Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (which will be effective from 1st April, 2019), the approval of the members of the Company be and is hereby accorded for re-appointment and payment of remuneration to Mrs. Shefali Seth as Whole-Time Director of the Company for a period of Three years with effect from 19th January, 2018, with liberty to the Board of Directors to alter and vary the terms and conditions and / or remuneration.”

“RESOLVED FURTHER THAT Mrs. Shefali Seth will be entitled for the following remuneration as Whole-Time Director of the Company:

Salary : Rs. 6.25 Lakh per month.
 Car : A Company maintained car for official purpose.
 Mobile / Telephone : A mobile for official purpose.
 Provident Fund : As per Company's rules.
 & Gratuity

"RESOLVED FURTHER THAT Mrs. Shefali Seth, Whole-time Director shall be responsible for affairs of the Company with special focus on Design and Development of Products of the Company and also perform such other duties and services as shall from time to time be entrusted to her by the Board of Directors of the Company."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things as may be necessary to give effect to this Resolution."

7. TO RE-APPOINT MR. VINOD VAISH (DIN: 01945795) AS WHOLE-TIME DIRECTOR

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 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force), the approval of the members of the Company be and is hereby accorded for re-appointment of Mr. Vinod Vaish as Whole-Time Director of the Company for a period of Two years with effect from 19th October, 2018, with liberty to the Board of Directors to alter and vary the terms and conditions and / or remuneration."

"RESOLVED FURTHER THAT Mr. Vinod Vaish will be entitled for the following remuneration per month as Whole-Time Director of the Company:

Particulars	(Amount in Rs.)
Basic Pay	68,890/-
House Rent Allowance	34,440/-
Special Allowance	20,742/-
Provident Fund & Gratuity	As per Company's rules

He will be provided a Company maintained Car with driver and a mobile phone for official purpose, and also be entitled for reimbursement of actual business expenses.

"RESOLVED FURTHER THAT Mr. Vinod Vaish, Whole-time Director shall be responsible for affairs of the Company with special focus on HR & Administration functions of the Company and also perform such other duties and services as shall from time to time be entrusted to him by the Board of Directors of the Company."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts and deeds as may be necessary to give effect to this Resolution."

8. TO APPROVE REMUNERATION OF MR. PULKIT SETH (DIN 00003044), MANAGING DIRECTOR OF THE COMPANY

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 provision of Section 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force), and Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (which will be effective from 1st April, 2019), the approval of the members of the Company be and is hereby accorded for payment of remuneration to Mr. Pulkit Seth, Managing Director of the Company for his remaining period upto 31st May, 2019, as set out below:

Salary : Rs.10.00 Lakh per month.
 Car : A Company maintained car for official purpose.
 Mobile / Telephone : A mobile for official purpose.
 Provident Fund
 & Gratuity : As per Company's rules.

"RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

9. TO INCREASE THE INVESTMENT LIMIT BY THE NON-RESIDENT INDIAN (NRI) OR OVERSEAS CITIZEN OF INDIAN (OCI) IN THE COMPANY

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 provision of Regulation 5(3) read with Schedule-3 and other applicable provisions, if any, of Foreign Exchange Management (Transfer or Issue of Security by Person Resident Outside India) Regulations, 2017, as amended, from time to time, or any other applicable law, the approval of the members of the Company be and is hereby accorded for increase of investment limit in the Company from 10% of the total equity capital to 24% of the total equity capital by the Non-Resident Indian or Overseas Citizen of India.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

10. ALTERATION OF MEMORANDUM OF ASSOCIATION OF THE COMPANY FOR COMMENCEMENT OF NEW BUSINESS

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 13 and all other applicable provisions of the Companies Act, 2013 and the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to such approvals as may be necessary or required, the approval of the Members be and is hereby accorded for alteration of the Object Clause of the Memorandum of Association of the Company by inserting new Clause No.11 after Clause No. 10 in the Main Object III (A) as follows:

11. To carry on business of providing Training and Development, Skill Development, as Knowledge Trainers and Disseminators, Project and Training Implementing Agencies under various Skill Development schemes of Authorities, Advisors, Consultants in all types of activities, fields, professions, products, industries, markets and areas and to conceptualise the ideas, projects, concepts and advise, consult, train the people for completion of such idea, project or concept for specific assignment from the idea to implementation stage and to carry on the business of recruitment, training, skill development and placement of all kind of personnel in India and abroad.

“RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

11. TO APPROVE RELATED PARTY TRANSACTIONS FOR THE FINANCIAL YEAR 2019-2020

To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to Section 188 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the consent of the Audit Committee and the Board of Directors, the approval of the members of the Company be and is hereby accorded for entering into contract or arrangement with the related parties as defined under the Act and the Rules made there under, namely Norp Knit Industries Limited, PT Pinnacle Apparels, Pearl Global (HK) Limited, Pearl Global Fareast Limited, DSSP Global Limited, Multinational Textile Group Limited, PDS Multinational Fashions Limited, Norwest Industries Limited, Pearl Grass Creations Limited, Pearl Apparel Fashions Limited, Nor Delhi Manufacturing Limited, PG Group Limited, Poeticgem Limited, Prudent Fashions Limited, Vin Pearl Global Vietnam Limited, Pearl Global F.Z.E., PGIC Investment limited, Pearl Global (Chang Zhou) Textile Technology Co. Limited, Pearl Global Vietnam Co. Limited, as per details and terms & conditions as set out under the Explanatory Statement annexed to this Notice.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to perform and execute all such acts, deeds, matters and things including delegate such authority, as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected herewith or incidental hereto.”

By order of the Board of Directors
for **Pearl Global Industries Limited**

Place: Gurugram
Date: August 09, 2018

(Sandeep Sabharwal)
Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED MUST REACH THE COMPANY'S REGISTERED OFFICE ATLEAST 48 HOURS BEFORE THE TIME OF THE MEETING.

2. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, the 18th September, 2018 to Monday, the 24th September 2018 (both days inclusive).

The dividend of Rs. 2/- per equity share of Rs.10/- each, as recommended by the Board of Directors of the Company, if declared at the meeting, will be paid on or before Tuesday, 23rd October, 2018 to those members:

- whose names appear as Beneficial Owners as at the end of business hours on Monday, 17th September, 2018 in the lists of Beneficial Owners furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of the shares held in electronic form; and
- whose names appear as members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company on or before Monday, 17th September, 2018.

3. The relevant Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 and Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of re-appointment (s) of Directors are annexed to this notice.

4. Members/Proxies are requested to bring their attendance slip along with copy of Annual Report to the Meeting and are requested not to bring any article, briefcase, hand bag, carry bag etc., as the same will not be allowed to be taken inside the Auditorium for security reasons. Further, the Company or any of its officials shall not be responsible for their articles, bags etc., being misplaced, stolen or damaged at the Meeting place.

5. Members/Proxies should fill the attendance slip for attending the meeting. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those hold shares in Physical forms are requested to write their Folio Number in the attendance slip for attending the meeting.

6. 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.

7. Corporate members intending to send their authorized representative are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.

Information in respect of such unclaimed dividend including when due for transfer to the said Fund is given below:

Financial year ended	Rate of Dividend Declared on the paid-up equity share capital	Date of declaration of Dividend	Last date for claiming unpaid Dividend	Due date for transfer to IEP Fund
31.03.2013	10.00% (Final)	27.09.2013	25.10.2020	24.11.2020
31.03.2014	20.00% (Final)	26.09.2014	24.10.2021	23.11.2021
31.03.2015	22.50% (Final)	22.09.2015	20.10.2022	19.11.2022
31.03.2016	25.00% (Interim)	11.03.2016	09.04.2023	08.05.2023
31.03.2016	5.00% (Final)	27.09.2016	26.10.2023	25.11.2023
31.03.2017	30.00% (Final)	28.09.2017	27.10.2024	26.11.2024

Members who have not en-cashed the dividend warrant(s) so far, are requested to make their claim to the Company or to the Registrar and Share Transfer Agent of the Company at Link Intime India Pvt. Limited, 44, Community Centre, 2nd Floor, Naraina Industrial Area, Phase-I, Near PVR Naraina, New Delhi – 110 028.

8. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.

9. Soft copy of the Annual Report for the financial year 2017-18 is being sent to all the members, whose email IDs are registered with the Company/RTA/Depository

Participants(s) for communication purposes. For members who have not registered their email address, physical copies of the Annual Report for the financial year 2017-18 are being sent in the permitted mode.

10. NO GIFT(S) SHALL BE DISTRIBUTED AT THE ENSUING 29TH ANNUAL GENERAL MEETING OF YOUR COMPANY.

11. Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members facility to exercise their right to vote at the 29th Annual General Meeting (AGM) by electronic means and the business contained herein may be transacted through e-voting Services provided by Central Depository Services Limited (CDSL):

The instructions for e-voting are as under:-

- (i) The voting period begins on Friday, 21st September, 2018 at 10:00 A.M. and ends on Sunday,

23rd September, 2018 at 5:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 17th September, 2018 (record date) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.
- (vii) 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 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot/Attendance Slip indicated in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member ID/folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.

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

- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) 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.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholder can also cast their vote using CDSL’s mobile app m-voting available for android based mobiles. The m-voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non-Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.co.in 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 should be mailed 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.
- (xx) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e 17th September, 2018 may follow the same instructions as mentioned above for e-Voting.
 - (xxi) 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
- II. Mr. Deepak Somaiya, Practicing Company Secretary (Membership No. FCS 5845) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - III. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a Consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
 - IV. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer’s Report shall be placed immediately on the Company’s website **www.pearlglobal.com** and on the website of CDSL and communicated to the BSE Limited and National Stock Exchange of India Limited simultaneously.

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

A brief Resume of the Director(s) offering themselves for re-appointment is given below:

ITEM No. 3:

Mrs. Shefali Seth aged about 37 years, is a Bachelor of Science in Business Administration from University of Bradford, U. K., has varied exposure in Garments and Textiles Industry. She is Whole-Time Director of the Company and heading Design & Product Development functions since 2012. She is having International experience in trading, marketing of Readymade Garments and knowledge of Southeast Asia region for over two years. She is wife of Mr. Pulkit Seth, Vice-Chairman and Managing Director of your Company.

Details of other directorship/committee membership held by her in other Companies are as follows:

Directorship

(i) Pixel Industries Limited (ii) PS Arts Private Limited (iii) DSSP Global Limited

She is Designated Partner in PSS Estates LLP.

She is not a member of any committee of the Company.

Mrs. Shefali Seth, the retiring Director, being eligible, offers herself for re-appointment.

Directors of your Company propose to re-appoint Mrs. Shefali Seth as Director, liable to retire by rotation and therefore this Resolution is recommended for approval of the Shareholders of the Company.

None of the Directors, Key Managerial Personnel or their relatives except Mrs. Shefali Seth herself, Mr. Deepak Seth and Mr. Pulkit Seth being relatives, are interested, whether directly or indirectly, in this Resolution.

Item No. 4

Mr. Vinod Vaish, aged about 60 years, is a Bachelor of Science and Long Logistics Management. He is Whole-Time Director of the Company and heading Administration and HR functions of the Company since 2012. He had been in the Indian Navy for 28 years at various levels in various capacities and has achieved in depth knowledge of all aspects of Administration and Logistics Management. He has been conferred President Gold Medal for overall outstanding best officer in Naval Academy.

Details of other directorship/committee membership held by him in other Companies are as follows:

Directorship

Pearl Apparel Fashions Limited (Formerly Lerros Fashions India Limited)

Committee

He is Chairman of CSR Committee and member of Audit Committee and Stakeholders Relationship Committee of your Company.

Mr. Vinod Vaish, the retiring Director, being eligible, offers himself for re-appointment.

Directors of your Company propose to re-appoint Mr. Vinod Vaish as Director, liable to retire by rotation and therefore this Resolution is recommended for approval of the Shareholders of the Company.

None of the Directors, Key Managerial Personnel or their relatives except Mr. Vinod Vaish himself is interested in this resolution.

Item No. 5:

Members of the Company in 27th Annual General Meeting held on 27th September, 2016 had approved the re-appointment and remuneration of Mr. Vinod Vaish as Whole-Time Director of the Company for the period of Two years, commencing from 19th October, 2016 to 18th October, 2018.

In view of the growth in the business activities, increased volume of work the Nomination and Remuneration Committee and subsequently the Board of Directors in their meetings held on 13th December, 2017, considered it just, fair and reasonable to revise remuneration of Mr. Vinod Vaish for the remaining tenure as Whole-Time Director of the Company.

Shareholders' approval is sought for the variation in terms of remuneration of Mr. Vinod Vaish as Whole-Time Director of the Company. The Remuneration payable to Mr. Vinod Vaish is within the limits provided under Section 197 read with Schedule V and other applicable provisions of the Companies Act, 2013.

Your Directors recommend the passing of the resolution at Item no. 5 as an Ordinary Resolution.

None of the Directors and Key Managerial Personnel, except Mr. Vinod Vaish, himself is interested, whether directly or indirectly, in this Resolution.

Item No. 6:

Mrs. Shefali Seth, aged about 37 years, is presently heading Design & Product Development functions of the Company. She has a Bachelor degree in Business Administration from University of Bradford, U. K., has varied exposure in Garments and Textiles Industry.

Members of the Company in their 26th Annual General Meeting held on 22nd September, 2015 had approved the appointment and remuneration of Mrs. Shefali as Whole-Time Director of the Company for a period of three years w.e.f. 19th January, 2015.

Further, members of the Company in their 28th Annual General Meeting held on 28th September, 2017 had approved the revision in remuneration of Mrs. Shefali Seth from Rs. 5.0 Lakh to Rs. 6.25 Lakh per month for her remaining tenure w.e.f. 1st June, 2017.

The Board of Directors on the recommendation of Nomination and Remuneration Committee, at their meetings held on 13th December, 2017, has approved the re-appointment of Mrs. Shefali Seth as Whole-Time Director for a further period of three years and payment of remuneration, commencing from 19th January, 2018. The Nomination and Remuneration Committee and the Board of Directors of the Company are of the opinion that she is fit and proper person to hold the said office and her re-appointment will be in the interest of the Company.

Details of other directorship/committee membership held by her in other Companies are as follows:

Directorship

- (i) Pixel Industries Limited, (ii) PS Arts Private Limited
- (iii) DSSP Global Limited

She is Designated Partner in PSS Estates LLP.

She is not a member of any committee of the Company.

Shareholders' approval is sought for re- appointment of Mrs. Shefali Seth as Whole-Time Director of the Company. The re-appointment and Remuneration payable to Mrs. Shefali Seth is within the limits provided under Section 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013.

Further, the Securities and Exchange Board of India (SEBI) has amended SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on May 09, 2018 and inserted a new provision as Clause (e) under Regulation 17(6).

Pursuant to this amendment the fees/remuneration or compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if (i) the annual remuneration payable to such executive director exceeds rupees 5 crore or 2.5 per cent of the net profits of the listed entity, whichever is higher; or (ii) where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the listed entity. The approval of the shareholders under this provision shall be valid only till the expiry of the term of such director.

As the Company has more than one Executive Director, belonging to promoter category, shareholders approval by Special Resolution is being sought on account of aggregate annual remuneration of such Directors exceeding 5% of the net profits of the Company.

The terms as set out in the resolution and explanatory statement may be treated as a written memorandum setting out terms of re-appointment of Mrs. Shefali Seth under Section 190 of the Companies Act, 2013.

Your Directors recommend the passing of the resolution at Item no. 6 as a Special Resolution.

None of the Directors and Key Managerial Personnel, except Mrs. Shefali Seth, herself, Mr. Deepak Seth, and Mr. Pulkit Seth being relatives, are interested, whether directly or indirectly, in this Resolution.

Item No. 7:

Mr. Vinod Vaish, aged about 60 years, is a Bachelor of Science and Long Logistics Management. He is Whole-Time Director of the Company and heading Administration and HR functions of the Company since 2012.

Members of the Company in their 27th Annual General Meeting held on 27th September, 2016 had approved the re-appointment and remuneration payable to Mr. Vinod Vaish as Whole-Time Director of the Company for a period of two years w.e.f. 19th October, 2016.

The Board of Directors on the recommendation of Nomination and Remuneration Committee in their meetings held on 9th August, 2018, has approved his re-appointment as Whole-Time Director for a further period of Two years commencing from 19th October, 2018 on the existing remuneration. The Nomination and Remuneration Committee and the Board of Directors of the Company are of the opinion that he is fit and proper person to hold the said office and his reappointment will be in the interest of the Company.

Details of other Directorship/Committee Membership held by him in other Companies are as follows:

Directorship:

Mr. Vinod Vaish is a Director of Pearl Apparel Fashions Limited (Formerly Lerros Fashions India Ltd.)

Committee Membership:

He is Chairman of the CSR Committee and member of Audit Committee of your Company.

Shareholders' approval is sought for re- appointment of Mr. Vinod Vaish as Whole-Time Director of the Company. The re-appointment and Remuneration payable to Mr. Vinod Vaish is within the limits provided under Section 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013.

The terms as set out in the resolution and explanatory statement may be treated as a written memorandum setting out terms of re-appointment of Mr. Vinod Vaish under Section 190 of the Companies Act, 2013.

Your Directors recommend the passing of the resolution at Item no. 7 as an Ordinary Resolution.

None of the Directors and Key Managerial Personnel, except Mr. Vinod Vaish, himself is interested, whether directly or indirectly, in this Resolution.

THE STATEMENT PURSUANT TO SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013 FOR ITEM NO. 6 & 7

I. GENERAL INFORMATION:

1. NATURE OF INDUSTRY

Pearl Global Industries Limited is engaged in manufacture and exports of Readymade Garments. Garment and Textile Industries plays a major role in the economy of the country. Indian garment and textile industry is the second largest after agriculture in the country in terms of employment generation. Indian industry currently generates employment to more than 45 million people directly and 60 million people indirectly. The Industry contributes approximately 5% to India's gross domestic product (GDP) and contributes to nearly 30% of the total exports.

The Company has large installed capacity for apparel manufacturing with *state-of-the-art* machinery and work process for supplying high quality products to Customers and with the continuous up-gradation of manufacturing facilities, the Company shall record further increase in Turnover and Profits in future years.

2. DATE OF COMMENCEMENT OF COMMERCIAL PRODUCTION

The date of commencement of commercial production (in erstwhile Pearl Global Limited, since merged with the Company) was 7th December, 1988.

IN CASE OF NEW COMPANIES, EXPECTED DATE OF COMMENCEMENT OF ACTIVITIES AS PER PROJECT APPROVED BY FINANCIAL INSTITUTIONS APPEARING IN THE PROSPECTUS

Not Applicable

3. FINANCIAL PERFORMANCE BASED ON GIVEN INDICATORS

The gross income of the Company stood at Rs 758.79 Crore. The Profit before Tax for the year is Rs. 6.78 Crore against Rs. 18.16 Crore last year. The Company managed to have PAT of Rs. 2.66 Crore.

4. EXPORT PERFORMANCE AND NET FOREIGN EXCHANGE COLLABORATIONS

The Readymade Garment saw exit of Multi Fibre Agreement regime to a new regime of quota free regime, this has resulted in a changing scenario in the Indian Readymade Garment Industry, which is to going through a changing face in which the Industry will have to improve upon its bottom line and upgrade its technology in line with the International norms.

The FOB value of Export earnings of Rs. 643.03 Crore during the current financial year 2017-18, and Rs. 758.43 Crore in the last year

5. FOREIGN INVESTMENTS OR COLLABORATORS, IF ANY

The Company has no foreign collaboration.

Apart from holding 3610499 equity shares of Rs.10/- each of your Company by 174 NRI/FPI/ OCB's Members/Folios representing 16.67% of the total paid up Capital of the Company as on 31st March, 2018, there is no other foreign investment in the Company.

II. INFORMATION ABOUT THE APPOINTEE:

Information	Mrs. Shefali Seth		Mrs. Vinod Vaish
Background Details	Mrs. Shefali Seth aged about 37 years, a Bachelor of Science in Business Administration from University of Bradford, U. K., has varied exposure in Garments and Textiles Industry. She is Whole-Time Director of the Company and heading Design & Product Development functions since 2012. She is having International experience in trading, marketing of Readymade Garments and knowledge of Southeast Asia region.		Mr. Vinod Vaish, aged about 60 years, is a Bachelor of Science and Long Logistics Management. He had been in the Indian Navy for 28 years at various levels in various capacities and has achieved in depth knowledge of all aspects of Administration and Logistics Management. He has over 10 years experience in private sector, specifically in Administration and production.
Past Remuneration	Rs. 6.25 Lakh Per Month		Rs. 1.25 Lakh Per Month
Recognition or Awards	NIL		NIL
<u>Job Profile and their Suitability</u>	Mrs. Shefali Seth, Whole-Time Director shall be responsible for product design and development functions of the Company and also perform such other duties and services as shall from time to time be entrusted to her by the Board of Directors of the Company.		Mr. Vinod Vaish shall be responsible for affairs of the Company with special focus on HR & Administration functions of the Company and also perform such other duties and services as shall from time to time be entrusted to him by the Board of Directors of the Company. Considering the contribution, Board considered him suitable for this position.
Remuneration Proposed	Salary: Rs.6.25 Lac per month. Car: A Company maintained car for official purpose. Mobile/ Telephone: A mobile for official purpose. Provident Fund & Gratuity: As per Company's rules		Basic Salary : 68,890/- per month HRA : 34,440/- per month Special Allowance : 20,742/- per month Car: A Company maintained Car with driver for official purpose. Mobile/Telephone : A mobile for official purpose Provident Fund : As per Company's rules He shall also be entitled for reimbursement of actual expenses for business of the Company
Comparative Remuneration profile with respect to industry, size of the company profile of position and person	Arvind Limited Period: 2016-17 Turnover: Rs.5,955.68 Crore Managerial Personnel: Whole-Time Director Annual Managerial Remuneration: Rs.2.69 Crore	Kitex Garments Ltd Period:- 2016-17 Turnover: Rs.547.90 Crore Managerial Personnel: Chairman & Managing Director Annual Managerial Remuneration: Rs.7.52 Crore	Bombay Rayon Fashions Ltd Period:- 2016-17 Turnover: Rs.3,898.63 Crore Managerial Personnel: Whole-Time Director Annual Managerial Remuneration: Rs. 2.40 Crore
Pecuniary relationship directly or indirectly with the company or with the managerial personnel, if any	Relating to Pecuniary Relationship, information provided under Past and proposed Remuneration hereinabove. Mrs. Shefali Seth is related to Mr. Deepak Seth, and Mr. Pulkit Seth. She holds 2,01,478 Equity Shares of the Company		Pecuniary Relationship other than Remuneration proposed above, is NIL. No relationship with Managerial Personnel. He does not hold in any Share in the Company.

III. OTHER INFORMATION:**1. REASONS OF LOSS OR INADEQUATE PROFITS**

The Readymade Garments Export Industry had yet another tough year where profitability was impaired due to higher cost of production coupled with pressure on margins due to recession.

2. STEPS TAKEN OR PROPOSED TO BE UNDERTAKEN FOR IMPROVEMENTS

Your Company realises that the Buyers can only be attracted through a proper blend of cost, speed / logistics, plant efficiency, supply chain, compliance, reliability and relationship.

The Company is laying special focus on technological up-gradation, lesser breakdown time, use labour saving devices, training of managers, supervisors and operators. Besides, the Company is also outsourcing

manufacturing from low cost destinations. Maintaining quality, reducing cost with better productivity will help the Company to operate profitably.

3. EXPECTED INCREASE IN PRODUCTIVITY AND PROFITS IN MEASURABLE TERMS

The Sales Turnover of your Company during the year 2017-18 was Rs. 758.79 Crore. The Company's PAT stood at Rs. 2.66 Crore during 2017-18.

Your Company has since identified and prioritized its targets and has been gearing up to face the perceived challenges and further enhance its presence in the International Markets. Barring under seen circumstances, your company's profitability during 2018-19 should increase by 20% and productivity by 15% to 20%.

IV. DISCLOSURES:**Remuneration package of the Managerial Person(s) paid for the year 2017-18:**

(Amount in Rs.)

Name of the Director(s)	Mr. Pulkit Seth	Mrs. Shefali Seth	Mr. Vinod Vaish	All other Directors
Designation	Managing Director	Whole Time Director	Whole Time Director	
Salary	1,17,07,800	72,87,800	15,38,769	--
Others (Provident Fund)	21,600	21,600	21,600	--
Service Contract	3 years	3 years	2 years	
Notice Period, Severance fees	Nil	Nil	Nil	Nil
Sitting Fees	Nil	NIL	NIL	Rs.10,000/- for attending each Board Meeting
Total	1,17,29,400	73,09,400	15,60,369	--

The Company has no policy for stock option, pension, and performance linked incentives. The company is not paying any bonus, commission or other benefits except as above, to the Executive Directors. The details of Directors remuneration are also disclosed in Corporate Governance Report.

The above said terms and conditions of payment of remuneration are duly considered, approved and recommended by the Nomination and Remuneration Committee in its Committee Meeting held on 13th December, 2017 and 9th August, 2018.

Copies of the resolutions passed by the Board in respect of the above may be inspected at the Corporate Office of your Company between 11:00 a.m. and 1:00 p.m. on all working days except Saturday and holidays.

Item No. 8:

Members are informed that Mr. Pulkit Seth was re-appointed as Managing Director of the Company for a period of Three years with effect from 1st June, 2016, by the Members in their 27th Annual General Meeting held on 27th September, 2016.

Further, Members of the Company in their 28th Annual General Meeting held on 28th September, 2017, had approved revision in remuneration of Mr. Pulkit Seth from Rs.8.35 Lakh to Rs.10.00 Lakh per month with effect from 1st June, 2017, through Ordinary Resolution.

It is further informed that the Securities and Exchange Board of India (SEBI) has amended SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on May 09, 2018 and inserted a new provision as Clause (e) under Regulation 17(6).

Pursuant to this amendment the fees/remuneration or compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if (i) the annual remuneration payable to such executive director exceeds rupees 5 crore or 2.5 per cent of the net profits of the listed entity, whichever is higher; or (ii) where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the listed entity. The approval of the shareholders under this provision shall be valid only till the expiry of the term of such director.

As Mr. Pulkit Seth, Managing Director and Mrs. Shefali Seth, Whole-Time Director belong to promoter category, shareholders approval is being sought on account of aggregate annual remuneration of such Directors exceeding 5% of the net profits of the Company.

Considering the remaining tenure of Mr. Pulkit Seth as Managing Director of the Company upto 31st May, 2019, Shareholders' approval is sought for payment of remuneration by Special Resolution to comply the Provisions of Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended, with effect from 1st April, 2019.

Your Directors recommend the passing of the resolution at Item no. 8 as a Special Resolution.

None of the Directors and Key Managerial Personnel, except Mr. Pulkit Seth, himself, Mr. Deepak Seth, and Mrs. Shefali Seth being relatives, are interested, whether directly or indirectly, in this Resolution.

Item No. 9:

Members are informed that the provisions of the Regulation 5(3) read with Schedule-3 of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 as notified on November 07, 2017, restrict the total holdings of all Non Resident Indians (NRIs)

and Overseas Citizen of India (OCI) put together shall not exceed 10% of the total paid-up equity capital.

Further, the limit of 10% may be increased to 24% of paid-up equity capital by passing a Special Resolution by the members in the General Meeting.

Considering the above it is proposed to increase the limit from 10% to 24% to comply the provisions of the said Regulations in case of increase of holding of NRIs/OCI.

Your Directors recommend the passing of the resolution at Item no. 9 as a Special Resolution.

None of the Directors and Key Managerial Personnel is interested, whether directly or indirectly, in this Resolution, except in their capacity as shareholder(s).

Item No. 10:

The Board of Directors of the Company has decided to venture into new business of providing Training and Development, Skill Development, as Knowledge Trainers and Disseminators, Project and Training Implementing Agencies under various Skill Development schemes of Authorities, and Service Provider in all types of activities, fields, professions, products, industries, markets and areas including new projects and ventures of all types whether private or public and descriptions and to conceptualise the ideas, projects, concepts and advise, consult, train the people for completion of such idea, project or concept for specific assignment from the idea to implementation stage and to carry on the business of education, higher education, recruitment, training, skill development and placement of all kind of personnel including managers, professionals, executives, skilled, semi-skilled, un-skilled workers, labourers & other technical personnel in India and abroad.

It is accordingly proposed to alter the Object Clause of the Memorandum of Association of the Company by inserting new Clause 11 after Clause 10 of Main Object III (A).

The Companies (Amendment) Act, 2017, has permitted to those Companies, who provides e-voting facility to the members to vote in the General Meeting, may seek approval of members on the items in the General Meeting, which is required to be transacted through Postal Ballot only.

Accordingly, the Directors of your Company recommend the passing of the resolution at Item no.11 as a Special Resolution.

None of the Directors and Key Managerial Personnel or their relatives is interested, whether directly or indirectly, in this Resolution, except in their capacity as shareholder(s).

Item No. 11: Related Party transactions:

The Board of Directors of the Company has approved a proposal for entering into the following related party transactions for the financial year 2019-20:

Sl. No.	Name of Related Party	Nature of relationship	Name of the Director or Key Managerial Personnel who is related, if any	Nature of Transactions	Amount (Rs. in Crore)
1	Norp Knit Industries Limited	Subsidiary	Mr. Deepak Seth Mr. Pulkit Seth	Purchase of Goods Sale of Goods SAP Facilities Charges Expenses incurred by them on our behalf Expenses paid by us on their behalf	225.00 25.00 0.25 3.00 1.00
2	PT Pinnacle Apparels	Step down subsidiary	Mr. Pulkit Seth	Purchase of Goods Sale of Goods SAP Facilities Charges Expenses incurred by them on our behalf Expenses paid by us on their behalf	15.00 1.00 0.10 2.00 2.00
3	Pearl Global (HK) Limited	Wholly owned subsidiary	Mr. Deepak Seth Mr. Pulkit Seth	Purchase of Goods Sale of Goods SAP Facilities Charges Expenses incurred by them on our behalf Expenses paid by us on their behalf	10.00 125.00 0.25 7.50 30.00
4	Pearl Global Fareast Limited	wholly owned subsidiary	Mr. Deepak Seth Mr. Pulkit Seth	Purchase of Goods Sale of Goods SAP Facilities Charges Expenses incurred by them on our behalf Expenses paid by us on their behalf	10.00 60.00 0.25 2.50 1.00
5	DSSP Global Limited	Step down subsidiary	Mr. Deepak Seth Mr. Pulkit Seth	Sale of Goods Purchase of Goods SAP Facilities Charges Expenses incurred by them on our behalf Expenses paid by us on their behalf	10.00 10.00 0.10 1.00 1.00
6	Multinational Textile Group Ltd.	Enterprise over KMP has significant influence	Mr. Deepak Seth	Expenses incurred by them on our behalf Expenses paid by us on their behalf	1.00 1.00
7	PDS Multinational Fashions Limited	Enterprise over KMP has significant influence	Mr. Deepak Seth	Expenses incurred by them on our behalf Expenses paid by us on their behalf	1.00 1.00

Sl. No.	Name of Related Party	Nature of relationship	Name of the Director or Key Managerial Personnel who is related, if any	Nature of Transactions	Amount (Rs. in Crore)
8	Norwest Industries Limited	Enterprise over KMP has significant influence	Mr. Deepak Seth	Sale of Goods Sale of Samples Expenses incurred by them on our behalf Expenses paid by us on their behalf	1.00 1.00 1.00 1.00
9	Pearl Grass Creations Limited	Step down subsidiary	Mr. Deepak Seth Mr. Pulkit Seth	Purchase of Goods Sale of Goods Expenses incurred by them on our behalf Expenses paid by us on their behalf SAP Facilities Charges	6.00 6.00 1.00 1.00 0.25
10	Pearl Apparel Fashions Limited (Formerly Lerros Fashions India Limited)	Wholly owned subsidiary	Mr. Vinod Vaish	Purchase of Goods Sale of Goods Expenses incurred by them on our behalf Expenses paid by us on their behalf	25.00 25.00 0.25 0.25
11	Nor Delhi Manufacturing Limited	Enterprise over KMP has significant influence	Mr. Deepak Seth	Purchase of Goods	1.00
12	PG Group Limited	Enterprise over KMP has significant influence	Mr. Deepak Seth	Sale of Goods	1.00
13	Poeticgem Limited	Enterprises over KMP has significant influence	Mr. Deepak Seth	Sale of Goods Expenses incurred by them on our behalf Expenses paid by us on their behalf	1.00 0.50 0.50
14	Prudent Fashions Limited	Step down subsidiary	Mr. Deepak Seth Mr. Pulkit Seth	Sale of Goods Sale of Samples SAP Facilities Charges Expenses incurred by them on our behalf Expenses paid by us on their behalf	1.00 1.00 0.10 1.00 1.00
15	Vin Pearl Global Vietnam Limited	Step down subsidiary	Mr. Deepak Seth Mr. Pulkit Seth	Sale of Goods Sale of Samples SAP Facilities Charges Expenses incurred by them on our behalf Expenses paid by us on their behalf	1.00 1.00 0.20 1.00 1.00

Sl. No.	Name of Related Party	Nature of relationship	Name of the Director or Key Managerial Personnel who is related, if any	Nature of Transactions	Amount (Rs. in Crore)
16	Pearl Global F.Z.E	Step down subsidiary	Mr. Deepak Seth Mr. Pulkit Seth	Sale of Goods Sale of Samples SAP Facilities Charges Expenses incurred by them on our behalf Expenses paid by us on their behalf	1.00 1.00 0.10 1.00 1.00
17	PGIC Investment Limited	Step down subsidiary	Mr. Deepak Seth Mr. Pulkit Seth	Sale of Goods Sale of Samples SAP Facilities Charges Expenses incurred by them on our behalf Expenses paid by us on their behalf	1.00 1.00 0.10 1.00 1.00
18	Pearl Global (Chang Zhou) Textile Technology Co. Ltd.	Step down subsidiary	Mr. Deepak Seth Mr. Pulkit Seth	Sale of Goods Sale of Samples SAP Facilities Charges Expenses incurred by them on our behalf Expenses paid by us on their behalf	1.00 1.00 0.20 1.00 1.00
19	Pearl Global Vietnam Co. Limited.	Step down subsidiary	NIL	Purchase of Goods Sale of Goods SAP Facilities Charges Expenses incurred by them on our behalf Expenses paid by us on their behalf	10.00 10.00 0.20 1.00 1.00

Mr. Deepak Seth, Chairman, Mr. Pulkit Seth, Managing Director, Mrs. Shefali Seth, Whole-Time Director, and Mrs. Payel Seth are relatives.

Mr. Pulkit Seth is member of Norp Knit Industries Limited, PT Pinnacle Apparels and Prudent Fashions Limited.

Mr. Deepak Seth is member of Norp Knit Industries Limited and Prudent Fashions Limited.

Your Directors recommend the passing of the resolution at Item no.11 as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel or their relatives except as disclosed above are interested in this resolution.

By order of the Board of Directors
for **Pearl Global Industries Limited**

Place: Gurugram
Date: August 09, 2018

(Sandeep Sabharwal)
Company Secretary