

## NOTICE

Notice is hereby given that the 24<sup>th</sup> Annual General Meeting of the Members of the Pearl Global Industries Limited, will be held on **Friday, 27<sup>th</sup> September, 2013 at 10:30 A. M. at Sri Sathya Sai International Centre, Pragati Vihar (Near Pragati Vihar Hostel), Lodhi Road, New Delhi-110 003**, to transact the following businesses:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2013 and the Profit & Loss Account of the Company for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To declare dividend on equity shares for the year ended 31<sup>st</sup> March, 2013.
3. To appoint a Director in place of Mr. Pallak Seth, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. S.B. Mohapatra, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Dr. A.P. Bhupatkar, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint M/s S. R. Dinodia & Co., Chartered Accountants, (Regn. No. 001478N), New Delhi, the retiring Auditors of the Company, as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS

7. **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 Sections 198, 269, 308, 309 and 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, and subject to approval of the Central Government, if required and subject to such conditions and modification(s) as may be prescribed or imposed by Central Government in granting such approval, which may be agreed to by the Board of Directors of the Company, consent of the Company be and is hereby accorded to the re-appointment and payment of remuneration to Mr. Pulkit Seth as Managing Director of the Company for a period of three (3) years commencing from 1<sup>st</sup> June, 2013 on the terms and conditions including remuneration as set out below, with liberty to the Board of Directors including any Committee thereof to alter and vary the terms and conditions and/or remuneration.

**RESOLVED FURTHER THAT** Mr. Pulkit Seth will be entitled for the following remuneration as Managing Director of the Company:

Salary	: ₹ 4.0 Lacs per month.
Car	: A Company maintained car for official purpose.
Mobile / Telephone	: A mobile for official purpose. Long distance Personal Calls will be charged by the Company.
Provident Fund & Gratuity	: As per Company's rules.

**RESOLVED FURTHER THAT** Mr. Pulkit Seth, Managing Director shall not only manage the day-to-day affairs of the Company but shall also carry out all duties and functions subject to the supervision, control and directions of the Board of Directors of the Company and shall 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 be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

8. **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 Sections 198, 269, 308, 309 and 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, and such other consents and approval as may be required, approval of the Company be and is hereby accorded for payment of remuneration to Mr. Vinod Vaish, Whole-Time Director of the Company with effect from 1<sup>st</sup> April, 2013 as set out below, with liberty to the Board of Directors including any Committee thereof to alter and vary the terms and conditions and/or remuneration.

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

Basic Salary	: 60,800/- per month
HRA	: 30,400/- per month
Spl. Allowance	: 16,770/- per month
Medical Reimbursement	: 15,000/- per annum

Mobile/Telephone	: A mobile for official purpose
Provident Fund	: As per Company's rules
Car	: A Company maintained car for official purpose

He shall also be entitled for reimbursement of actual expenses for business of the Company.

**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 be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By order of the Board of Directors  
for **PEARL GLOBAL INDUSTRIES LIMITED**

Place: Gurgaon  
Date: 13<sup>th</sup> August, 2013

Sd/-  
**(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 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 Friday, the 20<sup>th</sup> September, 2013 to Friday, the 27<sup>th</sup> September 2013 (both days inclusive).
3. The relevant Explanatory Statements pursuant to Section 173 (2) of the Companies Act, 1956 and Clause 49 of the Listing Agreement in respect of re-appointment(s) of Directors are mentioned below.
4. Members/Proxies are requested to bring their 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 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 authorised 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.
8. Pursuant to Section 205A of the Companies Act, 1956, dividends for the financial year ended 31<sup>st</sup> March, 1996 and thereafter, which remain unpaid or unclaimed/un-encashed for a period of 7 years will be accordingly transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government.

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
31.03.2006	30% #	30.11.2006	28.12.2013	26.01.2014
31.03.2007	20% #	27.08.2007	24.09.2014	23.10.2014
31.03.2008	15%	29.08.2008	27.09.2015	26.10.2015

# Dividend of erstwhile Pearl Global Ltd since merged with the Company.

Members who have not encashed 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, 2<sup>nd</sup> Floor, Naraina Industrial Area, Phase-I, Near PVR Naraina, New Delhi – 110 028.

9. The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011 stating that the Companies can now dispatch their documents to the shareholders through **electronic mode**. As a result, the Companies are now permitted to send various notices/documents to the shareholders on their registered e-mail address. In view of the above circular, we propose to send in future all documents including the Annual Report, which inter-alia, includes notice convening Annual General Meeting, Auditors' Report, Directors' Report and Financial Statements, in electronic form to the email address registered by you and made available to us by the Depositories. The members of the Company holding shares in physical form are requested to send their e-mail ids to the Company's Registrar & Transfer Agent (e-mail address: delhi@linkintime.co.in), for future correspondences by the Company to the members through this mode. Further, in case of members holding shares in electronic form who wish to change their registered e-mail address, they are requested to inform the respective Depository Participants accordingly.

**10. NO GIFT(S) SHALL BE DISTRIBUTED AT THE ENSUING 24<sup>TH</sup> ANNUAL GENERAL MEETING OF YOUR COMPANY.**

**EXPLANATORY STATEMENT**

(Pursuant to Section 173 (2) of the Companies Act, 1956 and Clause 49 of the Listing Agreement)

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

**Item No. 3**

Mr. Pallak Seth, born on August 13, 1977, completed his Graduation from Northwestern University, USA, in the year 1988. After Graduation, Mr. Pallak Seth joined the family business and established sourcing platform from Hong Kong, China and Bangladesh. He established Norwest Industries Ltd., in Hong Kong in 1998. After having established sourcing base in Hong Kong, he joined Poeticgem Ltd., UK, as Managing Director and played a major role in turning around the Company and made it one of the fastest growing readymade garments brand in UK.

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

Directorship

(i) PDS Multinational Fashions Limited (ii) Nim International Commerce Pvt. Ltd. (iii) Nor India Manufacturing Company Ltd., HK (iv) Casa Forma Limited (v) FX Imports Company Limited, UK, (vi) FX Imports Hongkong Limited, HK (vii) Global Textile Group Limited, Mauritius (viii) Hongzhou Grand Pearl Trading Co. Ltd, China (ix) Lerros Moden GmbH, Germany (x) Multinational Textiles Group Limited (xi) NAFS Limited, UK, (xii) Nor Delhi Manufacturing Limited, HK (xiii) Nor Lanka Manufacturing Limited, HK (xiv) Norp Knit Industries Limited, Bangladesh (xv) Norwest Industries Limited, HK (xvi) PAF International Limited, Bangladesh (xvii) Pallas Holdings Limited, Mauritius (xviii) PG Group Limited, HK (xix) PG Home Group Limited (xx) Pearl Ges Home Group SPA, Chile (xxi) Poetic Knitwear Limited, UK (xxii) SACB Holdings Limited, Mauritius (xxiii) Simple Approach Limited, HK (xxiv) Spring Near East Manufacturing Company Ltd., HK (xxv) Transnational Textile Group Limited, Mauritius (xxvi) Zamira Fashion Limited, HK (xxvii) Nahata Limited, UK (xxviii) Poeticgem Ltd., UK (xxix) Gem Australia Manufacturing Company Limited, HK (xxx) Norwest Inc, USA (xxxi) Nor Lanka Colombo Manufacturing Ltd., Sri Lanka (xxxii) Nor Europe Manufacturing Company Limited, HK (xxxiii) Nor Europe Manufacturing SPA, Spain (xxxiv) Sino West Manufacturing Co. Ltd., HK (xxxv) Designed and Sourced Ltd., HK (xxxvii) Nor France Manufacturing Co. Ltd., HK (xxxviii) PDS Asia Star Corporation Ltd.

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

No remuneration except sitting fee for attending each meeting of the Board of Directors is proposed to be paid to Mr. Pallak Seth. Mr. Pallak Seth holds 6.08% equity shares in the Company.

Mr. Pallak Seth, the retiring Director, being eligible, offers himself for re-appointment.

Directors of your Company propose to re-appoint Mr. Pallak 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, except Mr. Pallak Seth, himself, Mr. Deepak Seth, Mr. Pulkit Seth and Mrs. Shefali Seth being relatives, are interested, whether directly or indirectly, in this Resolution.

**Item No. 4**

Mr. S. B. Mohapatra, born on 18th June, 1944, is a bachelor in Arts degree from Delhi University and a Master in Arts degree from Delhi University. He joined the Indian Administrative Services in 1967 and retired in 2004. He served as Secretary, Ministry of Textiles; Special Secretary, Ministry of Home Affairs; Additional Secretary and Finance Advisor, Ministry of Commerce and Director General of Foreign Trade. He was also Managing Director of Industrial Development Corporation, Orissa.

Details of other directorship/committee membership held by him in other Companies are as follows: He is Director in (i) Pipavav Defence and Offshore Engineering Co. Ltd. and (ii) Runeecha Textiles Limited.

He is a Chairman-Director of Remuneration committee. He is a member-Director of Audit Committee and Shareholder's Grievance and Transfer committee of your Company.

No remuneration except sitting fee for attending each meeting of the Board of Directors is proposed to be paid to Mr. S. B. Mohapatra

Mr. S. B. Mohapatra, the retiring Director, being eligible, offers himself for re-appointment.

Directors of your Company propose to appoint Mr. S. B. Mohapatra as a Director, liable to retire by rotation and therefore this Resolution is recommended for approval of the Shareholders of the Company.

None of the Directors, except Mr. S. B. Mohapatra is interested, whether directly or indirectly, in this Resolution.

**Item No. 5**

Dr. A.P. Bhupatkar, born on 1<sup>st</sup> February, 1951, is a bachelor in commerce degree from Pune University, a master in Management Studies from Bombay University and a Doctorate in Organizational Studies from Pune University. He has over 15 years experience in the textile industry. He was the head of the Institute of Management Development and Research, Pune for 16 years.

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

Directorship

Pearl Apparels Ltd., Poeticgem (Canada) Limited and Twin Engineers Private Limited

He is a Chairman-Director of Shareholder's Grievance and Transfer committee and Member-Director of Audit Committee, Remuneration committee and Finance Committee of your Company.

No remuneration except sitting fee for attending each meeting of the Board of Directors is proposed to be paid to Dr. A.P. Bhupatkar.

Dr. A.P. Bhupatkar, the retiring Director, being eligible, offers himself for re-appointment.

Directors of your Company propose to appoint Dr. A.P. Bhupatkar as a Director, liable to retire by rotation and therefore this Resolution is recommended for approval of the Shareholders of the Company.

None of the Directors, except Dr. A.P. Bhupatkar is interested, whether directly or indirectly, in this Resolution.

**Item No. 7&8**

**Re-appointment of Mr. Pulkit Seth as Managing Director**

Resolution under Item No. 7 of the Notice relates to the re-appointment of Mr. Pulkit Seth as Managing Director of the Company for a further period commencing from 1<sup>st</sup> June, 2013 to 31<sup>st</sup> May, 2016 and approval of his remuneration and terms of re-appointment.

The Remuneration Committee, at its meeting held on 30<sup>th</sup> May, 2013, had recommended the terms of remuneration payable to Mr. Pulkit Seth as Managing Director for a further period commencing from 1<sup>st</sup> June, 2013 to 31<sup>st</sup> May, 2016. The Board of Directors, at its meeting held on 30<sup>th</sup> May, 2013, had approved his re-appointment. The 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. Pulkit Seth is Managing Director of Pearl Global Industries Limited and director of Aries Travels Pvt. Ltd, Nim International Commerce Pvt. Ltd, Lerros Fashions India Ltd, PDS Multinational Fashions Limited, Pearl Retail Solutions Pvt. Limited, PS Arts Pvt. Limited, Lerros Moden, GmbH, Germany, NAFS Limited, UK, Norp Knit Industries Limited, Bangladesh, PAF International Limited, Bangladesh, Pallas Holdings Limited, Mauritius, Pearl Global (HK) Ltd., Pearl Global Fareast Limited, HK, Premier Pearl Garment Joint Stock Co. Limited, Vietnam, PT Pinnacle Apparels, Indonesia, SACB Holdings Limited, Mauritius, Transnational Textile Group Limited, Mauritius, DSSP Global Limited, HK.

Committee Membership:

He is a Member-Director of Shareholder's Grievance and Transfer committee and Finance Committee of your Company.

Your Directors feel that the professional qualification and experiences of Mr. Pulkit Seth are of great value to the Company and his re-appointment as Managing Director of the Company will be beneficial to the Company. Your Directors recommend the passing of the resolution at Item no. 7 as Special Resolution.

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

**Remuneration of Mr. Vinod Vaish as Whole-Time Director**

Members of the Company at last Annual General Meeting held on 19<sup>th</sup> September, 2012 had approved the appointment and remuneration of Mr. Vinod Vaish as Whole-Time Director of the Company for the period of three years w.e.f. 19<sup>th</sup> January, 2012.

In view of the growth in the business activities, increased volume of work the Remuneration Committee and subsequently the Board of Directors considered it just, fair and reasonable to revise remuneration as set out in the agreement executed between the Company and Mr. Vinod Vaish for

the remaining tenure as Whole-Time Director of the Company. The terms & conditions as set out in the agreement for the payment of remuneration may be altered and varied from time to time by the Board or Remuneration Committee as it may deem fit.

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 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions of the Companies Act, 1956.

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

Directorship:

Mr. Vinod Vaish is Director of Aries Travels Pvt. Ltd, Lerros Fashions India Ltd, and Pearl Apparels Limited.

Committee Membership:

He is not a Member of any Committee of your Company.

**The terms as set out in the resolution and explanatory statement may be treated as an abstract of the terms of variation in remuneration pursuant to Section 302 of the Companies Act, 1956.**

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

None of the Directors except Mr. Vinod Vaish is interested in the resolution.

**THE STATEMENT PURSUANT TO PARAGRAPH 1(B) OF SECTION II OF PART II OF SCHEDULE XIII OF THE COMPANIES ACT, 1956 FOR ITEM NO. 7 & 8**

**I. GENERAL INFORMATION:**

**1. NATURE OF INDUSTRY**

Pearl Global Industries Limited is engaged in manufacture and exports of Readymade Garments. Textile Industries plays a major role in the economy of the country. Indian textile industry is the largest in the country in terms of employment generation. Indian textile industry currently generates employment to more than 35 million people. Today, around 45% of the total textile exports in India account for ready-made garments. There are various international brands which source readymade garments from the Indian markets.

**II. INFORMATION ABOUT THE APPOINTEE:**

Information	Mr. Pulkit Seth	Mr. Vinod Vaish
Background Details	Mr. Pulkit Seth, age about 33 years, a resident Indian, has a Bachelor degree in Business Management from Leonard N. Stern School of Business, University of New York, U.S. He has vast experience in the apparel industry. He has been overseeing the Domestic & Overseas operations of the Group and has played an important role in streamlining business processes and enhancing our relationships with leading retailers in the U.S.	Mr. Vinod Vaish, aged 54 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 4 years experience in private sector, specifically in Administration and production. He was appointed as Whole-Time Director of the Company on 19 <sup>th</sup> January, 2012 for a period of Three years.
Past Remuneration	₹ 4 Lacs Per Month	₹ 1.01 Lacs Per Month
Recognition or Awards	NIL	NIL
<u>Job Profile and their Suitability</u>	Mr. Pulkit Seth, Managing Director, shall manage the day-to-day affairs of the Company and shall also carry out all duties and functions subject to the supervision, control and directions of the Board of Directors of the Company and shall 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 his background, Board considers Mr. Pulkit Seth to be most suitable for the position of Managing Director.	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: ₹ 4.00 Lacs 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 : 60,800/- per month HRA : 30,400/- per month Spl. Allowance : 16,770/- per month Medical Reimbursement : 15,000/- per annum Mobile/Telephone : A mobile for official purpose Provident Fund : As per Company's rules Car : A Company maintained car for official purpose He shall also be entitled for reimbursement of actual expenses for business of the Company

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 7<sup>th</sup> 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 ₹ 571.98 Crores. The Profit before Tax for the year is ₹ 4.03 Crores against ₹ 1.91 Crores last year. The Company managed to have PAT of ₹ 3.89 Crores.

**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 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 ₹ 529.33 Crores during the current financial year 2012-13, and ₹ 608.89 Crores in the last year.

**5. FOREIGN INVESTMENTS OR COLLABORATORS, IF ANY**

The Company has no foreign collaboration.

Apart from holding 3,51,618 equity shares of ₹10/- each of your Company by 132 NRI / OCB's Members/ Folios representing 1.62 % of the total paid up Capital of the Company as on 31<sup>st</sup> March 2013, there is no other foreign investment in the Company

Information	Mr. Pulkit Seth	Mr. Vinod Vaish	
Comparative Remuneration profile with respect to industry, size of the company profile of position and person	Arvind Limited Period: 2011-12 Turnover: ₹ 3,494 Crore Managerial Personnel: Managing Director Annual Managerial Remuneration: ₹ 284 Lacs	Gokaldas Exports Ltd Period: 2011-12 Turnover: ₹ 1,030 Crore Managerial Personnel: Directors & CEO Annual Managerial Remuneration: ₹ 100 Lacs	Bombay Rayon Fashions Ltd Period:- 2011-12 Turnover: ₹ 2,749 Crore Managerial Personnel: Managing Director Annual Managerial Remuneration: ₹ 257 Lacs
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. Mr. Pulkit Seth is related to Mr. Deepak Seth, Mr. Pallak Seth and Mrs. Shefali Seth. He holds 15,11,384 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 Revenues have grown but 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 2012-13 was ₹ 557.69 Crores. The Company's PAT stood at ₹ 3.89 Crores during 2012-13.

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 profitability during 2013-14 should increase by 10% and productivity by 15%.

### IV. DISCLOSURES:

Remuneration package of the Managerial Person(s) paid for the year 2012-13:

(Amount in ₹)

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	48,00,000	48,00,000	12,14,640	-
Others ( Provident Fund )	9,360	9,360	9360	-
Service Contract	3 years	3 years	3 years	
Notice Period, Severance fees	Nil	Nil	-	Nil
Sitting Fees	Nil	Nil	NIL	₹ 7,500/- for attending each Board Meeting
<b>Total</b>	<b>48,09,360</b>	<b>48,09,360</b>	<b>12,24,000</b>	-

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 appointment and remuneration are duly considered, approved and recommended by the Remuneration Committee in its Committee Meeting held on 30<sup>th</sup> May 2013 for Mr. Pulkit Seth and 13<sup>th</sup> August, 2013 for Mr. Vinod Vaish.

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.

The Directors commend the resolution for your approval as a Special Resolution.

By order of the Board of Directors  
for PEARL GLOBAL INDUSTRIES LIMITED

Sd/-  
(Sandeep Sabharwal)  
Company Secretary

Place: Gurgaon  
Date: 13<sup>th</sup> August, 2013