



GARWARE POLYESTER LIMITED

Regd. Office: Naigaon, Post Waluj, Aurangabad – 431 133.

Ph: 91-22-6698 8000 Fax: 91-22-2824 8155 Email: nandasc@garwarepoly.com; Website: www.garwarepoly.com

Corporate Identification Number: L10889MH1957PLC010889

NOTICE OF POSTAL BALLOT

Notice is hereby given pursuant to Section 110 and other applicable provisions of the Companies Act, 2013 (the 'Act') if any, read together with Rule 22 of the Companies (Management and Administration) Rules, 2014 thereof for the time being in force (the 'Rule'), to the members of Garware Polyester Limited (herein after referred to as the 'Company') to seek their approval by way of Postal Ballot for the proposals contained in the draft Ordinary and Special Resolutions as appended below.

Item No.1

To consider appointment of Mr. Nilesh R. Doshi as an Independent Director of the Company.

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

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and any 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, Mr. Nilesh R. Doshi (holding DIN 00249715), Director of the Company whose period of office is liable to retirement by rotation and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 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 31st October, 2019.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and matters and things as in its absolute discretion it may consider necessary, expedient or desirable to give effect to this resolution."

Item No.2

To consider increase in borrowing limits of the Company.

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

"RESOLVED THAT subject to the provisions of Section 180 (1) (c) of the Companies Act, 2013 and other applicable provisions, if any, and the rules made thereunder, including any statutory modifications or re-enactments thereof for the time being in force (the "ACT") and in supersession of all the earlier resolutions passed in this regard, the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this resolution), be and are hereby authorized to borrow, as and when required, as it may think fit, including but not limited to any bank, financial institution(s), mutual fund(s), non-resident Indian(s), foreign institutional investors, foreign portfolio investors and/or public financial institution as defined under Section 2(72) of the Act and/or any other persons, bodies corporate and/or eligible foreign lenders and/or any entity/entities and/or authority/authorities, whether shareholders of the Company or not, through suppliers credit, any other securities or instruments, such as floating rate notes, fixed rate notes, syndicated loans, debentures, bonds, commercial papers, short term loans or any other instruments or other securities whether convertible or exchangeable into equity shares or preference shares of the Company and/or securities with or without detachable warrants with right exercisable by the warrant holder(s) to convert or subscribe to equity shares or preference shares of the Company and/or through credit from official agencies and/or by way of commercial borrowings from the private sector window of multilateral financial institutions, either in Indian rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board for an aggregate amount not exceeding ₹ 1500 Crores (Rupees One Thousand Five Hundred Crores) or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required,

on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary proper, expedient or incidental for giving effect to this resolution.”

Item No.3

To create charges on the movable and immovable properties of the Company situated at Aurangabad and Nashik, in respect of borrowings.

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

“**RESOLVED THAT** pursuant to provisions of Section 180(1)(a) of the Companies ACT, 2013 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modifications or re-enactment thereof for the time being in force (the “Act”), the members of the Company hereby accord their consent to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee(s) constituted/ to be constituted by the Board to exercise its powers including powers conferred by this resolution), to create mortgage and/or charge in such form and manner and on such terms and at such times as the Board may deem fit on all or any of the movable and/or immovable assets of the Company situated at Aurangabad and Nashik, present and future, whether presently belonging to the Company or not and/or whole or any part of the Company in favour of the lenders, agents, trustees for securing the borrowings of the Company availed/to be availed by way of loans, hire purchase and/or lease (in foreign currency and/or in Indian currency) and securities (comprising of fully/partly convertible debentures and/or secured premium notes and/or floating rates notes, bonds or other debt instruments) issued/to be issued by the Company from time to time, in one or more tranches, up to an aggregate limit of ₹ 1500 Crores (Rupees One Thousand Five Hundred Crores) together with interest as agreed, additional interest in case of default, accumulated interest, liquidated damages and commitment charges, all other costs, charges and expenses and all other monies payable by the Company in terms of respective loan agreement(s) or any document entered/to be entered into between the Company and the lenders/agents, investors and trustees in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or any committees thereof and the lenders, agents or trustees.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary proper, expedient or incidental for giving effect to this resolution.”

By order of the Board
For Garware Polyester Limited

S. C. Nanda
Company Secretary &
Sr. General Manager

Date: 12th November, 2014
Place : Mumbai

NOTES:

1. An Explanatory Statement pursuant to Section 102 and Section 110 of the Companies Act, 2013 is annexed to this Notice. A Postal Ballot Form is also enclosed.
2. The Postal Ballot Notice has been sent (by post or e-mail) to all the Members of the Company whose name appear on the Register of Members /List of Beneficial owners from National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL) as on Friday, 14th November, 2014.
3. The voting through Postal Ballot /e-voting will start on Saturday, the 22nd November, 2014 at 9.30 a.m. and will close on Monday, 22nd December, 2014 at 5.30 p.m.
4. Resolution passed by the Members through Postal Ballot are deemed to have been passed effectively at the general meeting of the Members.
5. In compliance with the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 Of the companies (Management and Administration) Rules, 2014 the Company has also extended e-voting facility as an alternate, for its Member to enable them to cast their votes electronically instead of through Postal Ballot Form/s. The procedure and instructions for the same are given on the reverse of the Ballot forms.
6. The Board of Directors of the Company has appointed Mr. Nilesh G. Shah (FCS No. 4554 and CP No.2631), Company Secretary in whole-time practice, as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner and to receive and scrutinize the completed ballot paper from the Members. After completion of his scrutiny, Scrutinizer will submit his report to the Chairman and in his absence to the Company Secretary of the Company.

The results of the Postal Ballot along with the Scrutinizer's report will also be displayed at the Company's Registered Office and hosted on the company's web site i.e. www.garwarepoly.com, besides being communicated to the stock exchange in which the shares of the Company are listed.

7. You are requested to carefully read the instructions printed in the Form attached hereto, fill up the Form, give your assent or dissent on the Resolution at the end of the Form and return the duly completed and signed Form (no other form or photocopy thereof is permitted) in the enclosed self-addressed, postage, prepaid envelope so as to reach the Scrutinizer on or before the close of working hours (i.e. 5.30 p.m. IST) on 22nd December, 2014. The Ballot received after the stipulated day and time will be strictly treated as if no reply has been received from the Member.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.1

Appointment of Mr. Nilesh R. Doshi as an Independent Director

The Board of Directors of the Company (the Board) on the recommendation of the Nomination and Remuneration Committee passed a Resolution dated 12th November, 2014, recommending for the approval of the Members, the appointment of Mr. Nilesh R. Doshi as an Independent Director of the Company pursuant to Article 122 of the Association of the Company and Sections 149, 152, Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and clause 49 of the Listing Agreement. The said appointment of Mr. Nilesh R. Doshi as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to 31st October, 2019. The Company has also received notice pursuant to Section 160 of the Companies Act, 2013 from a member proposing the appointment of aforesaid Independent Director.

A brief profile along with other details of the Independent Directors are as follows:

Name of the Director	Mr. Nilesh R. Doshi
Date of Birth & Age	28/12/1953 – 60 years
Director Identification Number	00249715
Date of Joining the Board	12.11.2014
Profile of the Director	Qualified Chartered Accountant having 35 years of working experience. His knowledge and experience will be of immense help to the Company.
No. of shares held in the Company	NIL
Directorships and Committee memberships in other companies*	NIL

* Directorships and Committee memberships in Garware Polyester Limited and its Committees are not included in the aforesaid disclosure. Also alternate directorship, directorship in Private Limited Companies, Foreign Companies and Section 8 companies and their Committee memberships are excluded. Membership and Chairmanship of Audit Committee and Stakeholders relationship Committee of only public companies have been included in the aforesaid table.

In the opinion of the Board, the Independent Directors fulfill the conditions specified in Sections 149, 152 and Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2013 and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force) and said Independent Director is independent of the management. Further, the aforesaid Independent Director has given a declaration to the Board of Directors to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the proposed Ordinary Resolution as set out in Item Nos. 1 this Notice.

This explanatory statement may also be regarded as disclosure under Clause 49 of the Listing Agreement with Bombay Stock Exchange Limited .

Your directors propose to pass the above resolution to be passed by the members of the Company as an Ordinary Resolution.

Item No. 2 & 3

Pursuant to Section 293(1) (a) and 293 (1) (d) of the of the Companies Act, 1956 the members at the General Meetings approved by way of an Ordinary Resolutions the following:

1. Borrowings over and above the aggregate of paid up share capital and free reserves of the Company provided the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time which shall not exceed ₹ 1000 Crores (Rupees One Thousand Crores) u/s 293 (1) (d) of Companies Act, 1956, approved in the Annual General Meeting of the Company held on 26th June 1996.
2. Authorized the Board of Directors of the Company for mortgaging / charging the movable / immovable properties of the Company situated at Aurangabad and Nashik in favour of the lender(s) for securing funds raised by the Company u/s 293 (1)(a) of Companies Act, 1956, which shall not exceed ₹ 800 Crores as approved in the Annual General Meeting held on 25th June 1997.

With a view to meet the funds requirements of the Company for both short term as well as long term and to meet fund requirements for expansion and for general corporate purposes the Company may require to borrow from time to time by way of loans and/or issue of Bonds, Debentures or other securities and it is therefore recommended to enhance the borrowing limits in excess of the paid-up capital and free reserves of the Company which shall not exceed ₹ 1500 Crores (Rupees One Thousand Five Hundred Crores) at any time.

As per the provisions of Section 180(1)(c) of the Companies Act 2013 which provides that the Board of Directors of a Company shall exercise the powers to borrow money, where money to be borrowed, together with the money already borrowed by the Company will exceed aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business only with the consent of the Company by a Special Resolution.

Accordingly it is proposed to seek the approval of the shareholders to the borrowing limits of INR 1500 Crores (apart from temporary loans obtained from the company's bankers in the ordinary course of business) for both domestic and foreign currency borrowings under section 180(1)(a) of the Companies Act, 2013 by way of a Special Resolution.

Accordingly, it is proposed to pass an enabling resolution(s) authorizing the Board to create charge / mortgage on the assets of the Company situated at Aurangabad and Nashik for a value not exceeding ₹ 1500 Crores (Rupees One Thousand Five Hundred Crores) under Section 180(1) (a) of the Companies Act, 2013.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the proposed Special Resolution as set out in Item Nos. 2 & 3 this Notice.

Your directors propose to pass the above resolution(s) to be passed by the members of the Company as a Special Resolution.

By order of the Board
For Garware Polyester Limited

S. C. Nanda
Company Secretary &
Sr. General Manager

Date: 12th November, 2014
Place : Mumbai