



## GARWARE POLYESTER LIMITED

Registered Office: Naigaon, Post Waluj, Aurangabad 431 133.  
Tel: +91-22-66988000 / Fax: +91-22-28248155 / CIN: L10889MH1957PLC010889  
Email:nimeshshah@garwarepoly.com / Website:www.garwarepoly.com

### POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013 read with Rule 20,22 of the Companies (Management and Administration ) Rules, 2014]

Dear Members,

**NOTICE** is hereby given that pursuant to the provisions of Section 110 of the Companies Act, 2013, read with Rule 20,22 of the Companies (Management and Administration)Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), the Resolutions appended hereunder for ;

1. Approval of Payment of remuneration to Mrs. Monika Garware Modi (DIN 00143400) as a Joint Managing Director of the Company for remaining tenure of her office i.e. with effect from 1<sup>st</sup> April, 2017 to 31<sup>st</sup> October, 2018.
2. Approval of Payment of Remuneration to Mrs. Sarita Garware Ramsay (DIN 00136048) as a Joint Managing Director of the Company for remaining tenure of her office i.e. with effect from 1<sup>st</sup> April, 2017 to 31<sup>st</sup> October, 2018.

are proposed to be passed by means of Postal Ballot and Electronic Voting (e-voting).

The proposed resolutions, along with the explanatory statement setting out the material facts and reasons thereto, are appended below and a Postal Ballot Form is enclosed for your consideration.

The Board has authorised Mr. Nimesh S. Shah, Company Secretary, to handle the entire postal ballot process.

The Board of Directors of your Company at their Meeting held on 10<sup>th</sup> April, 2017 has appointed Mr. Nilesh G. Shah of M/s. Nilesh Shah & Associates, Company Secretaries (ICSI Membership No: F4554 C.P. No.2631) as the Scrutinizer for conducting the Postal Ballot and e-voting process in a fair and transparent manner. Members desiring to exercise their votes by postal ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the same duly completed. The duly completed Postal Ballot Form(s) should reach the Scrutinizer not later than 05.00 pm on Wednesday, 17<sup>th</sup> May, 2017.

Members desiring to opt for an e-voting as per the facilities arranged by the Company are requested to read instructions in the Notes under the clause 'Voting through electronic means' in this Notice.

Based on the Scrutinizer's Report to the Chairman of the Company, the Results of the Postal Ballot and e-voting will be declared on Friday, 19<sup>th</sup> May, 2017 before 5.00 p.m. at the Corporate Office of the Company at Mumbai by placing it along with the Scrutinizer's report, on the website of the Company and will also be communicated to the Stock Exchange, Depositories and Registrar and Share Transfer Agent for information of the Members. Further, the results of voting along with the Scrutinizer's Report shall be displayed on the Notice Board of the Company at the Registered Office at Aurangabad.

The resolution, if passed, shall be taken as passed effectively on Wednesday, 17<sup>th</sup> May, 2017, i.e., last day for receipt of duly completed Forms and e-voting.

Members who have not received the Postal Ballot Form and are desirous of seeking a duplicate form or who have been sent this Postal Ballot Notice electronically does not want to avail E-Voting facility organized through NSDL, may send a request on e-mail id: nimeshshah@garwarepoly.com or pranav@garwarepoly.com by mentioning his/her Folio / DPID and Client ID No. for obtaining the Notice and Postal Ballot Form in physical form from the Company. The Member has to send back Postal Ballot form, duly completed, so as to ensure that it reaches the Scrutinizer on or before Wednesday, 17<sup>th</sup> May, 2017 upto 5.00 p.m. failing which, it will be strictly considered that no reply has been received from the Member.

Accordingly, this Notice is hereby given to the Members of the Company, for seeking their approval by way of Postal Ballot, for the following Resolutions, together with the Explanatory Statement as required under Section 102 of the Companies Act, 2013 setting out the material facts and reasons for the Resolutions, along with a Postal Ballot Form for your consideration:

#### **SPECIAL BUSINESS**

##### **Item no. 1**

**To consider proposal for payment of Remuneration to Mrs. Monika Garware Modi (DIN 00143400) as a Joint Managing Director of the Company.**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 197 and any other applicable provisions if any, 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), read with Schedule V to the Companies Act, 2013 and subject to the requisite approval of the Central Government, and in terms of recommendation of the 'Nomination & Remuneration Committee' and as approved by the Board of Directors, approval of Members of the Company be and is hereby accorded for the payment of remuneration to Mrs. Monika Garware Modi (holding DIN: 00143400), as a Joint Managing Director of the Company for the period from 1st April, 2017 to 31<sup>st</sup> October, 2018 on such terms and conditions as set out in the Explanatory Statement annexed to this postal ballot notice.

**RESOLVED FURTHER THAT** if in any financial year during the currency of the tenure, the Company has no profits or the profits of the Company are inadequate, the Company will pay to Mrs. Monika Garware Modi the remuneration as specified in the Explanatory Statement to this resolution as and by way of minimum remuneration.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution."

##### **Item no. 2**

**To consider Proposal for payment of Remuneration to Mrs. Sarita Garware Ramsay (DIN 00136048) as a Joint Managing Director of the Company.**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 197 and any other applicable provisions if any, 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), read with Schedule V to the Companies Act, 2013 and subject to the requisite approval of the Central Government, and in terms of recommendation of the 'Nomination & Remuneration Committee' and as approved by the Board of Directors, approval of Members of the Company be and is hereby accorded for the payment of remuneration to Mrs. Sarita Garware Ramsay (holding DIN: 00136048), as a Joint Managing Director of the Company for the period from 1st April, 2017 to 31<sup>st</sup> October, 2018 on such terms and conditions as set out in the Explanatory Statement annexed to this postal ballot notice.

**RESOLVED FURTHER THAT** if in any financial year during the currency of the tenure, the Company has no profits or the profits of the Company are inadequate, the Company will pay to Mrs. Sarita Garware Ramsay the remuneration as specified in the Explanatory Statement to this resolution as and by way of minimum remuneration.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters concerned therewith or incidental thereto”.

Place : Mumbai  
Date: 10<sup>th</sup> April, 2017

By Order of the Board  
sd/-  
Nimesh S. Shah  
Company Secretary  
(ICSI Membership No. 3365)

Regd. Office:  
Garware Polyester Limited  
Naigaon, Post Waluj,  
Aurangabad 431 133.  
CIN: L10889MH1957PLC010889  
Tel: +91-22-66988000/ Fax: +91-22-28248155/  
Email: nimeshshah@garwarepoly.com  
Website: www.garwarepoly.com

**NOTES:**

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts is annexed herewith.
2. The Board of Directors have appointed Mr. Nilesh G. Shah of M/s. Nilesh Shah & Associates, Company Secretaries (Membership No. FCS 4554 C.P. No. 2631), as the scrutinizer for conducting the Postal Ballot process and e-voting in a fair and transparent manner.
3. The Postal Ballot Notice along with Explanatory Statement is being sent to all the Members, whose names appear on the Register of Members / List of beneficial owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) as on Friday, 7<sup>th</sup> April, 2017,
4. Voting rights shall be reckoned on the paid up value of shares registered in the name of the Members as on Friday, 7<sup>th</sup> April, 2017. A member need not use all his/her votes or cast his/ her votes in the same way.
5. The completion of dispatch of the Postal Ballot Notice and the Explanatory Statement shall be announced through an advertisement in at least 1 (one) English newspaper and at least 1 (one) Regional news paper, and published on the Company's website.
6. In accordance with the provisions of Section 110 and other applicable provisions of the Companies Act, 2013, read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, the Postal Ballot Notice is being sent by e-mail to those Members who have registered their e-mail addresses with their Depository Participants (in case of shares held in demat form) or with the Company's Registrar and Share Transfer Agent (in case of shares held in physical form). For Members whose e-mail ids are not registered, physical copies of the Postal Ballot Notice and Postal Ballot Form are being sent by permitted mode (i.e. through registered or speed post or through courier), along with a postage prepaid self addressed Business Reply Envelope.
7. In compliance with Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Sections 108, 110 and other applicable provisions of the Companies Act, 2013, read with the related rules, the Company is pleased to provide e-voting facility to all its Members, to enable them to cast their votes electronically instead of dispatching physical Postal Ballot Form by post. The Company has engaged the services of NSDL for the purpose of providing e-voting facility to all its Members. Please note that e-voting is an alternate mode to cast votes and is optional.
8. Members may also note that the Notice of the Postal Ballot will also be available on the Company's website [www.garwarepoly.com](http://www.garwarepoly.com).
9. Members can opt for only one mode of voting, i.e. either by physical ballot or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through physical postal ballot forms will be treated as invalid. The instructions for electronic voting are annexed to this Notice.
10. Voting by Postal Ballot Form or E-Voting, can be exercised only by the shareholders or his/her duly constituted attorney or, in case of bodies corporate, the duly authorized person. The voting rights in the Postal Ballot cannot be exercised by a Proxy and any recipient of the Notice who has no voting right should treat the Notice as intimation only.
11. Members desiring to exercise their vote by physical postal ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed and signed, in the enclosed self addressed Business Reply Envelope to the Scrutinizer, so that it reaches the Scrutinizer not later than close of working hours i.e 5.00 p.m. on Wednesday, 17<sup>th</sup> May, 2017. Postal Ballot Forms received after this date will be treated as invalid.
12. The Scrutinizer will submit his report to the Chairman after the completion of scrutiny of the postal ballots (including e-voting). The result of the voting by postal ballot will be announced by the Chairman or Company Secretary, on or before 5.00 p.m. on Friday, 19<sup>th</sup> May, 2017 at the registered office of the Company by placing it along with the Scrutinizer's report, on the website of the Company and will also be communicated to the Stock Exchange, Depositories and Registrar and Share Transfer Agent for the information of the Members. Further, the result of voting along with the Scrutinizer's Report shall be displayed on the Notice Board of the Company at the registered office / Corporate office .

13. The resolution, if passed, shall be taken as passed effectively on Wednesday, 17<sup>th</sup> May, 2017, i.e., last day for receipt of duly completed Forms and e-voting.
14. Relevant documents referred in the accompanying Notice are open for inspection by the Members at the Registered Office of the Company during business hours between 11.00 a.m. and 1.00 p.m. on all the working days, excluding Saturdays, Sundays and Public Holidays up to the date of announcement of the result of Postal Ballot.
15. In case of physical voting, you are requested to carefully read all the instructions printed on the Postal Ballot Form and return the same duly completed (no other form or photocopy thereof is permitted), in the enclosed postage prepaid self-addressed business reply envelope (if posted in India) so as to reach the Scrutinizer or cast the votes by electronic mode, as applicable, not later than 5.00 p.m. on Wednesday, 17<sup>th</sup> May, 2017. Upon completion of the scrutiny of the Postal Ballot forms/E-Voting, the Scrutinizer shall submit his report to the Chairman / Designated Officer.

**16. Voting through electronic means**

In accordance with Regulation 44(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations" or "SEBI LODR") and Section 108 of the Act read with Rule 20 of Companies (Management and Administration) Rules, 2014, as amended, the Company is pleased to offer facility of voting by electronic means ("remote e-voting") to its Members to enable them to cast their votes through e-voting instead of returning duly filled up Postal Ballot forms. The Company has engaged services of National Securities Depository Limited (NSDL) as its agency for providing e-voting facility to Members of the Company. It may be noted that e-voting is optional.

- (I) The voting period begins on Monday, 17<sup>th</sup> April, 2017 (9.00 a.m. IST) and ends on Wednesday, 17<sup>th</sup> May, 2017 (5.00 p.m. IST). During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, 7<sup>th</sup> April, 2017 may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter.
- (II) A person who is not a member as on the cut-off date should treat this Notice for information purpose only.
- (III) The Instruction of e-voting are as under:

**(a) In case of Shareholders' receiving e-mail from NSDL**

- (i) Open e-mail and open PDF file viz; "remote e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.  
Note: Shareholders already registered with NSDL for e-voting will not receive the PDF file "Remote e-voting.pdf".
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
- (iii) Click on Shareholder – Login.
- (iv) Put user ID and password & Click - Login
- (v) Password change menu appears. If you desire, then change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note **new password**. It is strongly recommended not to share your password with any other person and to take utmost care to keep your password confidential.
- (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
- (vii) Select "EVEN" of Garware Polyester Limited.
- (viii) Now you are ready for e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify / change your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPEG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [nilesh@ngshah.com](mailto:nilesh@ngshah.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**(b) In case of Shareholders' receiving Postal Ballot Form by post:**

- (i) Initial password is provided as below/at the bottom of the Postal Ballot Form.

EVEN (E-Voting Event Number)	USER ID	PASSWORD / PIN

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast your vote.
- (c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
- (d) If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.  
In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ Client ID).  
In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No. + Folio No.)
- (e) Shareholders who forgot the User Details/Password can use "Forgot User Details/PasswordOf "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com)

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

As required by the provisions of Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the businesses mentioned under item nos. 1 to 2 to accompanying Postal Ballot Notice dated 10<sup>th</sup> April, 2017.

**Item No. 1**

Mrs. Monika Garware Modi was re-appointed as Vice Chairperson and Joint Managing Director of the Company by the members at their 56<sup>th</sup> Annual General Meeting (AGM) held on 26<sup>th</sup> September, 2013 for a period of five years with effect from 1<sup>st</sup> November, 2013 and the terms of her remuneration were approved by the members at the said Annual General Meeting held on 26<sup>th</sup> September, 2013. Central Government vide their letter dated 30<sup>th</sup> July, 2014 has approved her re-appointment for a period of five years with effect from 1<sup>st</sup> November, 2013 to 31<sup>st</sup> October, 2018 and payment of remuneration was approved for the period from 1<sup>st</sup> November, 2013 to 31<sup>st</sup> March, 2014.

Her remuneration for the period from 1<sup>st</sup> April, 2014 to 31<sup>st</sup> October, 2018 was approved by the members at their 57<sup>th</sup> Annual General Meeting held on 25<sup>th</sup> September, 2014 and which was submitted to the Central Government for their approval. However, Central Government vide their letter 08<sup>th</sup> June, 2015 has approved the remuneration only for the period from 1<sup>st</sup> April, 2014 to 31<sup>st</sup>

March, 2017.

Hence, this enabling resolution is being passed for approval of payment of remuneration to her as Joint Managing Director of the Company for remaining period of her office i.e. the period from 1<sup>st</sup> April, 2014 to 31<sup>st</sup> October, 2018. The resolution which is being proposed for your approval is only for compliance and is for the same amount of payment of remuneration which was earlier approved by the members at 57<sup>th</sup> Annual General Meeting held on 25<sup>th</sup> September, 2014.

On account of the overall increase in the volume of business of the Company, the duties and responsibilities of her as Joint Managing Director of the Company, has substantially increased. She is assisting Shri S. B. Garware, Chairman and Managing Director, in discharging his duties more effectively.

The Board of Directors at their meeting held on 10<sup>th</sup> April, 2017 based on the recommendations of the Nomination and Remuneration Committee at their meeting held on 10<sup>th</sup> April, 2017, considered and approved the payment of remuneration to Mrs. Monika Garware Modi, in accordance with the provisions of Sections 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), subject to the approval of the shareholders through this Postal Ballot.

A brief profile along with other details of Mrs. Monika Garware Modi and in compliance with Schedule V of the Companies Act, 2013 is provided below:

Name of Director	Mrs. Monika Garware Modi
Director Identification Number	00143400
Date of Birth & Age	04.06.1963 - 54 Years
Date of joining the Board	31.03.1989
Profile of the Director	She has been associated with the Company from April, 1989 and later on appointed as the Vice-Chairperson in the year 2002. She graduated from Vasaar College, one of the renowned institutions in U.S.A. and then did her M.B.A. degree from Lubin Business School, Pace University, New York, U.S.A. She has requisite knowledge and experience to manage the corporate affairs. She is looking after the finance vertical of the organization like fund raising and fund management, audit, taxation, Capex and inventory management. Besides that she is monitoring the 'Safety' and adherence to 'TPM', 'ISO' norms etc. Further she is responsible for the business development and other strategic issues of the Company
No. of Share held in the Company	2,67,504
*Directorship and Committee membership in other Companies	1. Garware Industries Ltd. 2. Cadila Pharmaceuticals Ltd. 3. Casil Health Products Ltd. 4. Karnavati Engineering Ltd. 5. IRM Ltd. 6. Apollo Hospitals International Ltd. 7. Green Channel Logi-Solutions Ltd. 8. B. D. Garware Research Centre

\* 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 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.

The draft agreement between the Company and Mrs. Monika Garware Modi, inter-alia, contains the following terms and conditions:

- a) Basic Salary: Rs.15,30,000/- per month. (With an annual increase of 10% per annum with effect from 1<sup>st</sup> April, 2018 till the expiry of the term.)
- b) Commission: She will be paid commission, equivalent to the annual salary, in addition to salary and perquisites, based on the net profits of the Company in a particular year in accordance with the provisions of Sections 198 and such other applicable provisions, if any of the Companies Act, 2013.
- c) Perquisites: She will be entitled to furnished housing accommodation, gas, electricity, water and furnishings and other perquisites such as reimbursement of medical expenses incurred for self and family, leave travel concession for self and family once in a year, club fees, personal accident insurance, provision of a car with driver, telephone at residence etc. The monetary value of the perquisites will be calculated in accordance with the Income Tax Rules. The aggregate value of the above perquisites shall be restricted to a maximum of 30% of the Basic salary. She will also be entitled to the following perquisites which shall not be included in the computation of the ceiling on remuneration:-
  - I. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.
  - II. Gratuity payable at the rate not exceeding half a month's salary for each completed year of service.
  - III. Encashment of leave at the end of her tenure.
- d) She will be entitled to leave on full remuneration as per the rules of the Company but not exceeding one month's leave for every 11 months of service.
- e) She will also be entitled to reimbursement of entertainment expenses actually incurred by her in the course of business of the Company.
- f) She will also be entitled to receive from the Company traveling, hotel and other expenses incurred by her in the performance of her duties on behalf of the Company.



g) She will not, so long as she functions as such, become interested or otherwise concerned directly in any selling agency of the Company in future without the prior approval of the Central Government.

In anticipation that during the term of her employment, the Company may have inadequacy of profits in any such financial year/s, in such case the above mentioned remuneration paid / payable to her, would be in excess of the limits prescribed under Schedule V read with relevant provisions of Companies Act 2013, therefore the Special Resolution is proposed for the approval of the shareholders. After the member's approval, an application seeking approval of the Central Government will be filed by the Company for payment of above mentioned remuneration to her as minimum remuneration.

Mrs. Monika Garware Modi satisfies all the conditions as set out in Part I of Schedule V as also under sub-section 11 of Section 197 of the Companies Act, 2013 for being eligible to be appointed as a Joint Managing Director of the Company. She is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

The Board of Directors are of the opinion that the payment of remuneration as contained in this resolution to her as Joint Managing Director is in the best interest of the Company and accordingly, recommend the resolution set out in Items No. 1 of this notice for approval of the members.

Mrs. Monika Garware Modi is concerned or interested in the resolution under Item No.1 of the accompanying notice. Shri S. B. Garware, Mrs. S. S. Garware, Mrs. Sarita Garware Ramsay, and Ms. Sonia Garware Directors of the Company, being related to her, may be deemed to be concerned or interested in the resolution. Save as aforesaid, none of the other Directors / Key Managerial Personnel of the Company/their relatives are, in anyway, concerned or interested in the resolution set out at item No. 1 of this Notice.

This may also be treated as an abstract of the draft agreement and the Memorandum of Interest of Directors therein pursuant to the provisions of Section 190 of the Companies Act, 2013.

The Board of Directors recommends the resolution as set out at Item no. 1 in accompanying Postal Ballot Notice for approval by members.

**Item No. 2**

Mrs. Sarita Garware Ramsay was re-appointed as Joint Managing Director of the Company by the members at their 56<sup>th</sup> Annual General Meeting (AGM) held on 26<sup>th</sup> September, 2013 for a period of five years with effect from 1st November, 2013 and the terms of her remuneration were approved by the members at the said Annual General Meeting held on 26<sup>th</sup> September, 2013. Central Government vide their letter dated 30<sup>th</sup> July, 2014 has approved the re-appointment of Mrs. Sarita Garware Ramsay for a period of five years with effect from 1<sup>st</sup> November, 2013 to 31<sup>st</sup> October, 2018 and payment of remuneration was approved for the period from 1<sup>st</sup> November, 2013 to 31<sup>st</sup> March, 2014.

Her remuneration for the period from 1<sup>st</sup> April, 2014 to 31<sup>st</sup> October, 2018 was approved by the members at their 57<sup>th</sup> Annual General Meeting held on 25<sup>th</sup> September, 2014 and which was submitted to the Central Government for their approval. However, Central Government vide their letter 15<sup>th</sup> May, 2015 has approved the remuneration only for the period from 1<sup>st</sup> April, 2014 to 31<sup>st</sup> March 2017.

Hence, this enabling resolution is being passed for approval of payment of remuneration to her, as Joint Managing Director of the Company for the remaining period of her office i.e. from 1<sup>st</sup> April, 2017 to 31<sup>st</sup> October, 2018. The resolution which is being proposed for your approval is only for compliance and is for the same amount of payment of remuneration which was earlier approved by the members at 57<sup>th</sup> Annual General Meeting held on 25<sup>th</sup> September, 2014.

On account of overall increase in the volume of business of the Company, the duties and responsibilities of her as Joint Managing Director of the Company, have accordingly increased. Further she is assisting Mrs. Monika Garware Modi, Joint Managing Director in discharging her duties more effectively.

The Board of Directors at their meeting held on 10<sup>th</sup> April, 2017 based on the recommendations of the Nomination and Remuneration Committee at their meeting held on 10<sup>th</sup> April, 2017, considered and approved the increase in payment of remuneration in accordance with the provisions of Sections 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), subject to the approval of the shareholders through this Postal Ballot.

A brief profile along with other details of Mrs. Sarita Garware Ramsay in compliance with Schedule V of the Companies Act, 2013 is provided below:

Name of Director	Mrs. Sarita Garware RAMsay
Director Identification Number	00136048
Date of Birth & Age	25.10.1967 - 50 Years
Date pf joining the Board	24.12.1993
Profile of the Director	<p>She has been associated with the Company as Director since 1993. She is an M.B.A. from European University in Switzerland with specialisation in marketing. She has requisite knowledge and experience to manage the corporate affairs.</p> <p>She joined the Company as Director in December 1993 and was appointed as a Whole-time Director from April 1994 to March 1997. The Board of Directors elevated her as Joint Managing Director for a term of five years with effect from 1st July, 2002. Since then she is on the Board of the Company designated as Joint Managing Director. She is looking after the legal, secretarial, human resource and the property related matters of the Company. She is instrumental in devising the strategies for managing the Intellectual Property Rights of the Organization both in India and overseas</p>
No of Shares held in the Company	2,67,810
*Directorships and Committee membership in other companies	<p>1. Garware Industries Ltd.</p> <p>2. Breach Candy Hospital Trust</p>

\* 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 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.

The draft agreement between the Company and Mrs. Sarita Garware Ramsay, inter-alia, contains the following terms and conditions:

- a) Basic Salary: Rs. 13,97,000/- per month. (With an annual increase of 10% per annum with effect from 1<sup>st</sup> April, 2018 till the expiry of the term.)
- b) Commission: She will be paid commission, equivalent to the annual salary, in addition to salary and perquisites, based on the net profits of the Company in a particular year in accordance with the provisions of Sections 198 and such other applicable provisions, if any of the Companies Act, 2013.
- c) Perquisites: She will be entitled to furnished housing accommodation, gas, electricity, water and furnishings and other perquisites such as reimbursement of medical expenses incurred for self and family, leave travel concession for self and family once in a year, club fees, personal accident insurance, provision of a car with driver, telephone at residence etc. The monetary value of the perquisites will be calculated in accordance with the Income Tax Rules. The aggregate value of the above perquisites shall be restricted to a maximum of 30% of the basic salary. She will also be entitled to the following perquisites which shall not be included in the computation of the ceiling on remuneration:
  - I. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.
  - II. Gratuity payable at the rate not exceeding half a month's salary for each completed year of service.
  - III. Encashment of leave at the end of her tenure.
- d) She will be entitled to leave on full remuneration as per the rules of the Company but not exceeding one month's leave for every 11 months of service.
- e) She will also be entitled to reimbursement of entertainment expenses actually incurred by her in the course of business of the Company.
- f) She will also be entitled to receive from the Company traveling, hotel and other expenses incurred by her in performance of her duties on behalf of the Company.
- g) She will not, so long as she functions as such, become interested or otherwise concerned directly in any selling agency of the Company in future without the prior approval of the Central Government.

In anticipation that during the term of her employment, the Company may have inadequacy of profits in any such financial year/s, in such case the above mentioned remuneration paid / payable to her, would be in excess of the limits prescribed under Schedule V read with relevant provisions of Companies Act 2013, therefore the special resolution is proposed for the approval of the shareholders. After the member's approval, an application seeking approval of the Central Government will be filed by the Company for payment of above mentioned remuneration to her as minimum remuneration.

Mrs. Sarita Garware Ramsay satisfies all the conditions as set out in Part I of Schedule V as also under sub-section 11 of Section 197 of the Companies Act, 2013 for being eligible to be appointed as a Joint Managing Director of the Company. She is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

The Board of Directors are of the opinion that the payment of remuneration as contained in this resolution toher as the Joint Managing Director is in the best interest of the Company and accordingly, recommend the resolution set out in Items No. 2 of this notice for approval of the members.

Mrs. Sarita Garware Ramsay is concerned or interested in the resolution under Item No.2 of the accompanying notice. Shri S. B. Garware, Mrs. S. S. Garware, Mrs. Monika Garware Modi, and Ms. Sonia Garware Directors of the Company, being related to her, may be deemed to be concerned or interested in the resolution. Save as aforesaid, none of the other Directors / Key Managerial Personnel of the Company/their relatives are, in anyway, concerned or interested in the resolution set out at item No. 2 of the Notice.

This may also be treated as an abstract of the draft agreement and the Memorandum of Interest of Directors therein pursuant to the provisions of Section 190 of the Companies Act, 2013.

The Board of Directors recommends the resolution as set out at Item no. 2 in accompanying Postal Ballot Notice for approval by members.

Place :Mumbai  
Date: 10<sup>th</sup> April, 2017.

By Order of the Board  
sd/-  
Nimesh S. Shah  
Company Secretary

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