



# **Garware**

## **Polyester Limited**

**ANNUAL REPORT**  
**2013-14**



<b>BOARD OF DIRECTORS</b>	: S. B. GARWARE	<i>Chairman &amp; Managing Director</i>
	: S. S. GARWARE (Mrs.)	
	: DILIP J. THAKKAR	Resigned w.e.f. 29.05.2014
	: N. P. CHAPALGAONKAR	
	: M. GARWARE MODI (Mrs.)	<i>Vice Chairperson &amp; Jt. Managing Director</i>
	: SARITA GARWARE RAMSAY (Mrs.)	<i>Jt. Managing Director</i>
	: SONIA GARWARE (Ms.)	<i>Jt. Managing Director</i>
	: B. MORADIAN	
	: M. S. ADSUL	<i>Director – Technical</i>
	: M. C. AGARWAL (Dr.)	
	: RAMESH. P. MAKHIJA	
	: A. B. BHALERAO	Resigned w.e.f. 31.10.2013
	: T. M. PARIKH	Appointed w.e.f. 27.12.2013
<b>COMPANY SECRETARY &amp; SR. GENERAL MANAGER</b>	: Manoj Koul :	Resigned w.e.f. 19.07.2014
	S. C. Nanda	Appointed w.e.f. 31.07.2014
<b>CHIEF FINANCIAL OFFICER</b>	: Gokul Naik	
<b>BANKERS</b>	: Indian Overseas Bank Dena Bank Bank of India The Federal Bank Limited	
<b>AUDITORS</b>	: Shah & Co. Chartered Accountants	
<b>SOLICITORS &amp; ADVOCATES</b>	: Crawford Bayley & Co.	
<b>REGISTERED OFFICE</b>	: Naigaon, Post Waluj, Aurangabad - 431 133. CIN - L10889MH1957PLC010889	
<b>CORPORATE OFFICE</b>	: Garware House, 50-A, Swami Nityanand Marg, Vile Parle (East), Mumbai - 400 057.	
<b>WORKS</b>	: L-5 & L-6, Chikalthana Industrial Area, Dr. Abasaheb Garware Marg, Aurangabad - 431 210.  Naigaon, Post Waluj, Aurangabad - 431 133.  A-1 & A-2, MIDC, Ambad, Nasik - 422 010.	
<b>OFFICES</b>	: 204,DLF Tower B, Near Apollo Hospital, Jasola, New Delhi - 110 025.  37/1B, Hazra Road, Kolkata - 700 029.  Old No. 37, New No. 55, Ambercrest, 4th Floor, Pantheon Road Lane, Egmore, Chennai - 600 008.	
<b>OVERSEAS BRANCH OFFICE</b>	: Unit 2-17, The Plaza, 535, Kings Road, London - SW10 0SZ	
<b>REGISTRARS &amp; TRANSFER AGENTS</b>	: Link Intime India Private Limited	

### GREEN INITIATIVE IN CORPORATE GOVERNANCE

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail addresses by sending the duly filled in and signed copy of the '**E-Mail Registration Form**' attached with this Annual Report by post at the Registered Office address of the Company or to the Registrar & Share Transfer Agent viz. M/s. Link Intime India Pvt. Limited. Alternatively members can also send the scanned copy of duly filled in and signed 'E-Mail Registration Form' to the Company at the e-mail address [cs@garwarepoly.com](mailto:cs@garwarepoly.com) or to the Registrars & Share Transfer Agents at the e-mail address [garwarepolyestergogreen@linkintime.co.in](mailto:garwarepolyestergogreen@linkintime.co.in). Members, in their own interest, are requested to get the shares dematerialized.

**NOTICE****GARWARE POLYESTER LIMITED**

CIN: (L10889MH1957PLC010889)

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

Website: www.garwarepoly.com

Email: nandasc@garwarepoly.com

Tel. No.: 022 6698 8000, Fax No. : 022 2824 8155

NOTICE IS HEREBY GIVEN THAT the 57th Annual General Meeting of the members of GARWARE POLYESTER LIMITED will be held at the Registered Office of the Company on Thursday, 25th September, 2014 at 11.30 a.m. at Naigaon, Post Waluj, Aurangabad - 431 133 to transact the following businesses:

**Ordinary Business:**

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2014 and the Profit and Loss Account for the year ended on that date and the reports of the Board of Directors and the Auditors thereon.
2. To declare a dividend on preference shares.
3. To appoint a Director in place of Mrs. Monika Garware Modi (holding DIN : 00143400), who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint a Director in place of Ms. Sonia Garware (holding DIN : 00135995), who retires by rotation and being eligible, offers herself for re-appointment.
5. 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 Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, M/s. Manubhai & Shah, Chartered Accountants, (Firm Registration no. 106041W), be and is hereby appointed as statutory auditors of the Company, in place of M/s. Shah & Co., Chartered Accountants, (Firm Registration No.109430W), the retiring statutory auditors, to hold the office of the auditors from the conclusion of this Annual General Meeting until the conclusion of the Sixth Annual General Meeting to be held after this meeting, subject to ratification at every Annual General Meeting at such remuneration plus service tax, as may be mutually agreed upon between the Board of Directors of the Company and auditors, plus travelling and out of pocket expenses actually incurred by the auditors in connection with the audit work.”

**Special Business:**

6. 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 196, 197, 203 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, the consent of the Company be and is hereby accorded to the re-appointment of Shri S. B. Garware (holding DIN: 00943822), as Managing Director of the Company for a further period of five years with effect from 1st November, 2014, and the draft agreement between the Company and Shri S. B. Garware setting out the terms and conditions including remuneration payable, duly initialed by Mr. B. Moradian, Director of the Company for the purpose of identification and placed before the meeting, be and is hereby approved.

**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 Shri S. B. Garware the remuneration as specified in the aforesaid draft agreement 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 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”.

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

**“RESOLVED THAT** in modification of the Resolution Number 7 passed by the Members of the Company at the Annual General Meeting held on 26th September, 2013 and pursuant to the provisions of Section-197 of the Companies Act, 2013 and Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V of the Companies Act, 2013 and subject to the requisite approval of the Central Government or any other such approval, if required, the consent of the Company be and is hereby accorded to the variation in the payment of remuneration payable to Mrs. Monika Garware Modi, (holding DIN : 00143400) as, Vice Chairperson & Joint Managing Director with effect from 1st April, 2014 to 31<sup>st</sup> October, 2018, on such terms and conditions as set out in the Explanatory Statement annexed to the notice convening this meeting.

**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 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”.

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

**“RESOLVED THAT** in modification of the Resolution Number 8 passed by the Members of the Company at the Annual General Meeting held on 26th September, 2013 and pursuant to the provisions of Section-197 of the Companies Act, 2013 and Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V of the Companies Act, 2013 and subject to the requisite approval of the Central Government or any other such approval, if required, the consent of the Company be and is hereby accorded to the variation in the payment of remuneration payable to Mrs. Sarita Garware Ramsay (holding DIN : 00136048) as, Joint Managing Director with effect from 1st April, 2014 to 31<sup>st</sup> October, 2018, on such terms and conditions as set out in the Explanatory Statement annexed to the notice convening this meeting.

**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 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”.

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

**“RESOLVED THAT** in modification of the Resolution Number 9 passed by the Members of the Company at the Annual General Meeting held on 26th September, 2013 and pursuant to the provisions of Section-197 of the Companies Act, 2013 and Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V of the Companies Act, 2013 and subject to the requisite approval of the Central Government, the consent of the Company be and is hereby accorded to the variation in the payment of remuneration payable to Ms. Sonia Garware (holding DIN: 00135995) as, Joint Managing Director with effect from 1st April, 2014 to 31<sup>st</sup> March, 2015, on such terms and conditions as set out in the Explanatory Statement annexed to the notice convening this meeting.

**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 Ms. Sonia Garware 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 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."

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

**"RESOLVED THAT** Mr. T. M. Parikh (holding DIN: 00049287), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 27th December, 2013, in terms of Section 260 of the Companies Act, 1956 (corresponding to Section 161(1) of the Companies Act, 2013) and Article 121 of the Articles of Association of the Company and whose term of office expires at the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to 31st March, 2019."

**RESOLVED FURTHER THAT** the Board of Directors and/or the Company Secretary, 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 and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

11. 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 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. N. P. Chapalgaonkar (DIN: 00365494), who was previously appointed as an independent Director liable to retire by rotation and whose term expires at this Annual General Meeting 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 March, 2019.

**RESOLVED FURTHER THAT** the Board of Directors and/or the Company Secretary, 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 and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and any other applicable provisions 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. Ramesh P. Makhija (DIN: 00209869), who was previously appointed as an independent Director liable to retire by rotation and whose term expires at this Annual General Meeting 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 March, 2019.

**RESOLVED FURTHER THAT** the Board of Directors and/or the Company Secretary, 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 and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and any other applicable provisions 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. B. Moradian (holding DIN 00242123), Director of the Company whose period of office is liable to determination by retirement of 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 March, 2019.

**RESOLVED FURTHER THAT** the Board of Directors and/or the Company Secretary, 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 and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and any other applicable provisions 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, Dr. M. C. Agarwal (holding DIN 02595878), Director of the Company whose period of office is liable to determination by retirement of 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 March, 2019.

**RESOLVED FURTHER THAT** the Board of Directors and/or the Company Secretary, 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 and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

15. 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 Section 139, 143(8) read with Companies (Audit & Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (Act), as amended from time to time, the Board be and is hereby authorised to appoint as Branch Auditors of any branch office of the Company, whether existing and / or to be opened / acquired hereafter, outside India, in consultation with the Company's Auditors, any person(s) qualified to act as Branch Auditor within the provisions of Section 143(8) of the Act and to fix their remuneration.

**RESOLVED FURTHER THAT** the acts, deeds and things already done by the Board of Directors in this regard be and are hereby confirmed, approved and ratified.

**RESOLVED FURTHER THAT** the Board of Directors and/or the Company Secretary, 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 and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

By Order of the Board of Directors

Mumbai,  
31st July, 2014

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

**Registered Office**  
Naigaon, Post Waluj,  
Aurangabad – 431 133.



**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (the 'Meeting') IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND TO VOTE ONLY ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the company.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to Item No. 6 to 15 of the Notice is annexed hereto.
3. Members desiring any information on the business to be transacted at the Meeting are requested to write to the Company at least 10 days in advance to enable the Management to keep the information, as far as possible, ready at the Meeting.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from, Saturday, 13th September, 2014 to Thursday, 25th September, 2014 (both days inclusive).
5. The Preference dividend as recommended by the Board of Directors, if approved by the Members at the Annual General Meeting, will be paid to those members whose names appear in the Register of Members of the Company on 12th September, 2014.
6. Members are requested to notify immediately any change in their addresses directly to their Depository Participant in case they hold shares in dematerialized form or to the Company's Registrars & Share Transfer Agents, in case they hold shares in physical form.
7. The Ministry of Corporate Affairs (MCA) on 10th May, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012 (IEPF Rules). The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. The Company has uploaded the information in respect of the Unclaimed Dividends for the financial years 2008-09 to 2011-12, as on the 56th Annual General Meeting (AGM) held on 26th September, 2013 on the website of IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in).
8. Unclaimed dividend for the Financial Years 2008-09, 2009-10, 2010-11 (Interim & Final) and 2011-12 are still lying in the respective unpaid dividend accounts of the Company. Members, who have not encashed the dividend warrants for the said financial years are requested to contact the Company's Registrar and Share Transfer Agents, Link Intime India Private Limited at the address provided in point no. 13 below.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
10. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.

11. Physical copies of the Notice of the 57th Annual General Meeting of the Company *inter-alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

**12. 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, the Company is pleased to provide members facility to exercise their right to vote at the 57th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):  
The instructions for e-voting are as under:
  - A. In case a Member receives an e-mail from NSDL [for members whose e-mail IDs are registered with the Company/Depository Participants(s)]:
    - (i) Open e-mail and open PDF file viz; "Garware Poly e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
    - (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 as initial password/PIN noted in step (i) above. Click Login.
    - (v) Password change menu appears. Change the password/PIN 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 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 your vote.
    - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG 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. Member upon receiving physical copy of an Annual Report :
    - (i) Initial password is provided in the attached e-voting 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 vote.
- II. 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)

- III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- V. The e-voting period commences on Tuesday 16th September, 2014 (9:00 a.m.) and ends on Thursday, 18th September, 2014 (6:00 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 (record date) of Thursday, 14th August, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 14th August, 2014.
- VII. Mr. Nilesh Shah, Practicing Company Secretary (Membership No. FCS-4554, CP No. 2631), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VIII. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- IX. The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.garwarepoly.com](http://www.garwarepoly.com) and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.

13. Members holding shares in physical form are requested to forward all applications for transfer and all other shares related correspondence, including intimation for change of address, if any, to the Registrars and Share Transfer Agents of the Company at the following address:

**LINK INTIME INDIA PRIVATE LIMITED**

(Unit: Garware Polyester Limited)  
C-13, Pannalal Silk Mill Compound,  
L.B.S. Marg, Bhandup (West),  
Mumbai - 400 078.  
Tel. No. 022-2594 6970, Fax : 022-2594 6969.

Notice of the Meeting and copies of Audited Financial Statements, Directors' Report, Auditors' Report will also be displayed on the company's website [www.garwarepoly.com](http://www.garwarepoly.com).

By Order of the Board of Directors

Mumbai,  
31st July, 2014

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

**Registered Office**

Naigaon, Post Waluj,  
Aurangabad – 431 133.

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

**Item No. 6:**

At the Annual General Meeting held on 28th December, 2009 Shri S. B. Garware was re-appointed as Managing Director of the Company by Members for a term of five years with effect from 1st November, 2009. On account of overall increase in the volume of business of the Company, the duties and responsibilities of Shri S. B. Garware, Chairman & Managing Director of the Company, have substantially increased.

The Board of Directors at their meeting held on 31st July, 2014 based on the recommendations of the Nomination and Remuneration Committee at their meeting held on 31st July, 2014, approved the re-appointment of Shri S. B. Garware as the Chairman & Managing Director of the Company for a period of 5 (five) years commencing from 1st November, 2014 to 31st October, 2019, not liable to retire by rotation. The Board also approved the terms and conditions of his appointment including remuneration, as recommended by the Nomination and Remuneration Committee, in accordance with the provisions of Sections 197, 196, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and 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 at the ensuing Annual General Meeting.

A brief profile along with other details of Shri S. B. Garware and incompliance with clause 49 of the Listing Agreement between the Company and the Stock Exchange is as follows:

Name of the Director	Shri S. B. Garware
Director Identification Number	00943822
Date of Birth and Age	05.11.1934 - 80 years
Date of joining the Board	06.06.1957
Profile of the Director	<p>Shri S. B. Garware is associated with the Garware Group since 1951. He completed his Senior Business Management Course at the University of Edinburgh. Under his stewardship, the Company has earned several accolades in the polyester film business for unique and innovative products to match the ever-growing demands of the industry. With a view to enhance revenues through Exports, under his able guidance, his discerning and dynamic leadership skills, the Company is poised for rapid and voluminous growth.</p> <p>With the experience of more than 60 years in the industry, Mr. Garware has acquired an excellent reputation in the sophisticated market of Western Europe and USA in competition with multi-national companies. Over the years, he has mastered the technology and all branches of science of industrial arts and has acquired expertise in the new techniques of process industry and production. R&amp;D has been his primary area of interest. Focusing on relevant technology to meet specific needs of customers, the Company has produced highly innovative products. His major achievements in Polyester Film include Sun Control film application, Holography Mat Opaque, High shrink and Low Oligomer Film for environment friendly refrigerator, Super Clear Polyester Films for LCD, etc. He has obtained a patent in the United States for the U.V. Stabilised Polyester Film. The film is used on windows of automobiles and buildings, which saves energy upto 30% on air conditioning and also filters the harmful U.V. radiations.</p>



	He has been able to develop a strong management team under him who work on formulation of strategy, expansion plan and other management policies under his able guidance. With his untiring efforts, focused attention and diligent work, he has been able to remain in touch with the management team on day to day basis. Shri S. B. Garware has been engaged in philanthropy work, and social service through the Shri S. B. Garware Charitable Trust as its Chairman and is actively associated with various social causes. Shri S. B. Garware received National Gold Shield for import substitution in 1981 for development & production of Polyester Film; and Top Export Awards for last 20 years from Plexcouncil.
No. of Shares held in the Company	11,63,001
Directorships and Committee memberships in other companies*	1. Garware Chemicals Ltd.** 2. Garware Industries Ltd. 3. 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.

\*\* Garware Chemicals Limited merged with Garware Industries Ltd. on 17<sup>th</sup> April, 2014.

The draft agreement between the Company and Shri S. B. Garware contains, inter-alia, the following terms and conditions: -

- a) Monthly Compensation: Rs. 19.00 Lakhs (With an annual increase of 10% per annum with effect from 01.11.2015 till the expiry of the term.)
- b) Commission: Shri S. B. Garware 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:
  - I) Shri S. B. Garware 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 35% of monthly compensation.
  - II) Encashment of leave at the end of his tenure.
- d) Special allowances: Rs. 3.50 Lakhs per month.
- e) Shri S. B. Garware 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.
- f) Shri S. B. Garware will also be entitled to reimbursement of entertainment expenses actually incurred by him in the course of business of the Company.
- g) Shri S. B. Garware will also be entitled to receive from the Company traveling, hotel and other expenses incurred by him in performance of his duties on behalf of the Company.

- h) Shri S. B. Garware will not, so long as he functions as such, become interested or otherwise concerned directly or indirectly in any selling agency of the Company in future without the prior approval of the Central Government. The remuneration payable to Shri S. B. Garware as Managing Director has been approved by the Nomination & Remuneration Committee of the Board of Directors at its meeting held on 31st July, 2014.

The draft agreement and the Resolution of the Annual General Meeting referred to in the Resolution under Item No. 6 of the accompanying notice will be open for inspection by the Members at the Registered Office of the Company on any working day between 11:00 a.m. and 01:00 p.m., prior to the date of the meeting.

In anticipation that during the term of employment of Shri S. B. Garware, the Company may have inadequacy of profits in any such financial year/s, in such case the above mentioned remuneration paid / payable to Shri S. B. Garware, 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 Shri S. B. Garware as minimum remuneration.

Shri S. B. Garware 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 Chairman & Managing Director of the Company. He is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

In view of the above, in order to take advantage of knowledge, experience and foresight of Shri Garware, it is long term interest of the Company to continue to have his association with the Company for maintaining sustained growth in future for the time to come. Hence, the Board of Directors are of the opinion that the appointment of Shri S. B. Garware as the Chairman & Managing Director is in the best interest of the Company and accordingly, recommend the resolution set out in Items No. 6 for approval of the members.

Shri S. B. Garware is concerned or interested in the resolution under Item No.6 of the accompanying notice. Mrs. S. S. Garware, Mrs. Monika Garware Modi, Mrs. Sarita Garware Ramsay and Ms. Sonia Garware Directors of the Company, being related to Shri S. B. Garware, 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 any way, concerned or interested in the resolution set out at Item No. 6 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. This explanatory statement may also be regarded as disclosure under Clause 49 of the Listing Agreement

Your Directors recommend this resolution.

#### Item No. 7:

Mrs. Monika Garware Modi was re-appointed as Vice Chairperson and Joint Managing Director of the Company by the members at the Annual General Meeting (AGM) held on 26th 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 26th September, 2013. The approval for re-appointment and payment of remuneration pursuant to section 198, 269 and other applicable provisions of the Companies Act, 1956 for a period of five years with effect from 01.11.2013 to 31.10.2018 subject to the approval of Central Government, which is awaited. In view of provisions of Companies Act, 2013 becoming effective from 1<sup>st</sup> April, 2014, this enabling resolution is being passed for payment of remuneration for the period from 1<sup>st</sup> April, 2014 to 31<sup>st</sup> October, 2018.

On account of the overall increase in the volume of business of the Company, the duties and responsibilities of Mrs. Monika Garware Modi, Vice Chairperson and Joint Managing Director of the Company, has substantially increased. In order to enable Shri S. B. Garware Chairman & Managing Director to concentrate on policy matters of the Company, it is advisable that Mrs. Monika Garware Modi should assist Shri S. B. Garware, Chairman and Managing Director, in discharging his duties more effectively. In the process of assisting Shri S. B. Garware, Mrs. Monika Garware Modi will shoulder higher responsibilities.

The Board of Directors at their meeting held on 31<sup>st</sup> July, 2014 based on the recommendations of the Nomination and Remuneration Committee at their meeting held on 31<sup>st</sup> July, 2014, considered and approved the variation in her 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 at the ensuing Annual General Meeting.

A brief profile along with other details of Mrs. Monika Garware Modi and in compliance with Clause 49 of the Listing Agreement between the Company and the Stock Exchange is as follows:

Name of the Director	Mrs. Monika Garware Modi
Director Identification Number	00143400
Date of Birth and Age	04.06.1963 - 51 years
Date of joining the Board	31.03.1989
Profile of the Director	<p>Mrs. Monika Garware Modi has been associated with the Company from April, 1989 and later on appointed as the Vice-Chairperson in the year 2002. She bears an excellent academic career. 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.</p> <p>Mrs. Monika Garware Modi is looking after the business 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.</p>
No. of Shares held in the Company	2,67,504
*Directorships and Committee memberships in other companies	<ol style="list-style-type: none"> <li>1. Garware Industries Ltd.</li> <li>2. Cadila Pharmaceuticals Ltd.</li> <li>3. Casil Health Products Ltd.</li> <li>4. Casil Industries Ltd.</li> <li>5. Karnavati Engineering Ltd.</li> <li>6. IRM Ltd.</li> <li>7. Apollo Hospitals International Ltd.</li> <li>8. Omnicare Pharmaceuticals Ltd.</li> <li>9. Green Channel Logi-Solutions Ltd.</li> <li>10. B. D. Garware Research Centre</li> </ol>

\* 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) Salary :** Rs.11,50,000/- per month. (With an annual increase of 10% per annum with effect from 1st April, 2015 till the expiry of the term.)
- b) Commission:** Mrs. Monika Garware Modi 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:** Mrs. Monika Garware Modi 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 salary. Mrs. Monika Garware Modi shall 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) Mrs. Monika Garware Modi 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) Mrs. Monika Garware Modi will also be entitled to reimbursement of entertainment expenses actually incurred by her in the course of business of the Company.**
- f) Mrs. Monika Garware Modi 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) Mrs. Monika Garware Modi 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.**

The draft agreement and the Resolution of the Annual General Meeting referred to in the Resolution under Item No. 7 of the accompanying notice will be open for inspection by the Members at the Registered Office of the Company on any working day between 11:00 a.m. and 01:00 p.m., prior to the date of the meeting.

In anticipation that during the term of employment of Mrs. Monika Garware Modi, the Company may have inadequacy of profits in any such financial year/s, in such case the above mentioned remuneration paid / payable to Mrs. Monika Garware Modi, 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 Mrs. Monika Garware Modi 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