



GARWARE MARINE INDUSTRIES LIMITED

Regd. Office: 302, Swapna Bhoomi, 'A' Wing, S. K. Bole Road, Dadar (West), Mumbai - 400 028

POSTAL BALLOT NOTICE

Dear Member(s),

NOTICE is hereby given that pursuant to Section 192A of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof), read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 (as amended or re-enacted) and Section 180(1) (a) of the Companies Act, 2013, to consider and if thought fit, to pass the resolution noted herein as a special resolution ("**Special Resolution**") by way of postal ballot ("**Postal Ballot**") to sell, lease or otherwise dispose of the whole or substantially the whole of any undertaking of the Company, which requires the approval of Members of the Company by way of a Special Resolution.

The Company proposes to sell or otherwise dispose of the whole or substantially the whole of the undertaking of the Company situated at E-10, MIDC Industrial Area, Ahmednagar – 414001 (Maharashtra), which was engaged in the business of manufacture of fishing nets and fish net twine as there is recession in the Industry caused by, reduction of fish catch, heavy dependence on weather, change in demand pattern, increase in cost of raw material and competition from unorganized sector.

The proposed Special Resolution and Explanatory Statement stating all material facts and the reasons for the proposal are appended below and a Postal Ballot form is enclosed for your consideration. The Board of Directors of the Company met on 30th January 2014 and appointed Mr. Shreepad Korde, a Practising Company Secretary, as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

Please carefully read the instructions printed in the Postal Ballot form and return the form duly completed in all respects in the enclosed self-addressed prepaid postage envelope so as to reach the Scrutinizer on or before the close of working hours on 15th March, 2014, Saturday.

The Scrutinizer will submit his report to the Chairman after completion of the scrutiny and the result of voting by Postal Ballot will be announced on 18th March, 2014, Tuesday at 302, Swapna Bhoomi, 'A' Wing, S. K. Bole Road, Dadar (West), Mumbai 400 028 at 11.00 a.m. Additionally, the result will be communicated to BSE Limited. The results will also be published in newspaper(s).

PROPOSED SPECIAL RESOLUTION:

To consider and, if thought fit, to give your assent or dissent to the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 180 (1) (a) of the Companies Act, 2013, Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 and other applicable provisions, if any, of the Companies Act, 1956 and notified provisions of the Companies Act, 2013, along with the rules as may be prescribed therein (including any statutory modifications or re-enactments thereof), memorandum and articles of association of the company, listing agreement entered into with the stock exchange(s) where shares of the Company are listed and any other law for the time being in force and subject to such approvals, consents, permissions and sanctions as may be necessary to be obtained from appropriate government authorities, departments, offices, institutions, bodies and agencies and subject to such terms, conditions, alterations, corrections, changes, variations and / or modifications, if any, as may be stipulated by any authority while granting such approvals, consents, permissions and which may be agreed to by the board of directors of the Company (hereinafter referred to as the "**Board**", which term shall unless repugnant to the context or meaning thereof, be deemed to include a duly constituted committee thereof and any person authorized by the Board in this behalf), the members of the Company hereby accord their consent to the Board to sell, lease or otherwise dispose of at such consideration and with effect from such date as the Board may think fit, the whole or substantially the whole of the undertaking of the Company situated at E-10, MIDC Industrial Area, Ahmednagar – 414001 (Maharashtra).

RESOLVED FURTHER THAT the Board be and is hereby authorized to do or cause to be done all such acts, deeds and other things as may be required or considered necessary or incidental thereto for giving effect to the aforesaid Resolution."

By Order of the Board of Directors

Sd/-

P. S. Nambiar
Company Secretary

Place : Mumbai

Date : 30th January, 2014

NOTES:

1. The voting period starts from Thursday, 13th February, 2014 and ends on Saturday, 15th March, 2014;
2. Shareholders who wish to be present at the time of declaration of the result may do so;
3. Only a shareholder entitled to vote is entitled to exercise his vote through Postal Ballot and a shareholder having no voting rights should treat this Notice as intimation only.

ANNEXURE TO NOTICE**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 READ WITH SECTION 192A OF THE COMPANIES ACT, 1956**

Members are aware that, as a result of several consecutive unfavorable fishing seasons, increase in cost of raw material and competition from unorganized sector, adversely affecting demand for fishing nets and consequently the Company's production, a lay-off had been declared at the Company's plant situated at Ahmednagar w.e.f. 22nd April 2013 till 5th June 2013. This was further extended till 31st July 2013 and thereafter till 30th November 2013. Since, there seemed to be no improvement in the demand for the Company's products, a severance package to the workers/ staff at the Company's Factory at Ahmednagar, Depots and Head-office was offered and the response to the same was positive.

The Management does not envisage / foresee any improvement in the current scenario and therefore in the light of all above factors, the Company proposes to sell or otherwise dispose of the whole or substantially the whole of the undertaking of the Company situated at E-10, MIDC Industrial Area, Ahmednagar – 414001 (Maharashtra) which was engaged in the business of manufacture of fishing nets & fish net twine and to sell/scrap the plant and machineries.

However, the Company's repair division will continue operating as it has till date.

The consideration for transfer of the undertaking of the Company has been determined by the Board by identifying several potential buyers, who are keen on purchasing the plant & machinery and building, subject to all approvals.

It is proposed to utilize the sale proceeds towards payment of liabilities which includes outstanding towards employees (including Compensation offered under the Scheme of Severance) and payments to Maharashtra State Electricity Board towards the outstanding charges payable for electricity consumption, payments to Maharashtra Industrial Development Corporation, property tax dues, etc.

The proposed sale will be in the interest of the Company and liabilities towards employees/ workers & creditors will substantially be reduced as a result. Your Directors, therefore, recommend acceptance of the resolution by members.

None of the Directors, Managers / Key Managerial Personnel of the Company and their relatives is/are, in any way, concerned or interested in the said resolution, except to the extent of their respective shareholdings in the Company, if any.

By Order of the Board of Directors

Sd/-

P. S. Nambiar
Company Secretary

Place : Mumbai

Date : 30th January, 2014



GARWARE MARINE INDUSTRIES LIMITED

Regd. Office: 302, Swapna Bhoomi, 'A' Wing, S. K. Bole Road, Dadar (West), Mumbai - 400 028

POSTAL BALLOT FORM

1	Name of Shareholder(s) (in block letters) (including joint holders, if any)	
2	Registered address of the Sole/First named Shareholder	
3	Folio No./DP ID No./ Client ID No.* (*Applicable to investors holding shares in dematerialized form)	
4	Number of shares held	
5	I/We hereby exercise my/our vote in respect of the Special Resolution to be passed through Postal Ballot for the business stated in the Notice of the Company by conveying my/our assent or dissent to the said Resolution by placing the tick (✓) mark in the appropriate box below.	

Item No.	Description	No. of shares	I/We assent to the Resolution	I/We dissent the Resolution
(1)	To authorize the Board of Directors pursuant to the provisions of Section 180 (1) (a) of the Companies Act, 2013 and other applicable provisions , if any, of the Companies Act, 1956 to sell, lease or otherwise dispose of at such consideration and with effect from such date as the Board may think fit, the whole or substantially the whole of the undertaking of the Company situated at E-10, MIDC Industrial Area, Ahmednagar – 414001 (Maharashtra)			

Place: _____

Date : _____

[Signature of the Shareholder(s)]: _____

INSTRUCTIONS:

1. A shareholder desiring to exercise his vote by Postal Ballot may complete this postal ballot form and send it to the Scrutinizer in the attached self-addressed envelope;
2. The self-addressed envelope bears the address of the Scrutinizer appointed by the Board of Directors of the Company;
3. This postal ballot form should be completed and signed by the shareholder, an unsigned postal ballot form/(s) will be rejected;
4. Where the postal ballot form has been signed by an authorized representative of a body corporate, a certified copy of the relevant authorization to vote on the Postal Ballot should accompany the postal ballot form. Where the form has been signed by a representative of the President of India or of the Governor of a State, a certified copy of the nomination should accompany the postal ballot form. A Member may sign the form through an Attorney appointed specifically for this purpose, in which case an attested true copy of the Power of Attorney should be attached to the postal ballot form;
5. A shareholder need not use all his votes nor he needs to cast all his votes in the same way;
6. Duly completed postal ballot form/(s) should reach the Scrutinizer not later than the close of working hours on Saturday- 15th March 2014. Any postal ballot form received after this date will be treated as if the reply from the shareholder has not been received;
7. A shareholder may request for a duplicate postal ballot form, if so required. However, the duly filled in duplicate postal ballot form should reach the Scrutinizer not later than the date specified at item 6 above;
8. Voting rights shall be reckoned on the paid up value of shares registered in the name of the shareholder on the cut-off date, which is the date of completion of dispatch of the Notice. This date shall be announced through advertisement;
9. Shareholders are requested not to send any other paper along with the postal ballot form in the enclosed self-addressed postage prepaid envelope in as much as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
