



Simplex Mills Company Limited

(CIN: L65900MH1998PLC116585)

Regd. Office: 30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Mumbai - 400 011

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Dear Member(s),

POSTAL BALLOT NOTICE

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

NOTICE is hereby given pursuant to the Section 110 of the Companies Act, 2013 (the Act) read with Rule 22 of the Companies (Management and Administration) Rules 2014, Simplex Mills Company Limited (the Company) is seeking the consent of its Members for the following Resolution proposed to be passed by Postal Ballot:

To consider and, if thought fit, to accord **assent/ dissent**, the following Resolution as a **"Special Resolution"**

"RESOLVED THAT pursuant to Section 180 (1) (a) and all other applicable provisions, if any of the Companies Act, 2013 (the Act) and rules made thereunder (including any statutory modifications or re-enactment thereof, for the time being in force) and subject to any other law for the time being in force and permissions and sanctions, as may be necessary in this behalf, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which terms shall deem to include any Committee thereof), to sell, transfer and/or otherwise dispose of the whole or substantially the whole of plant and machinery of the Company situated at Akola, Maharashtra including all licenses, permits, consents and approvals whatsoever to any suitable party/parties in one or more tranches at such consideration and on such terms and conditions as the Board may deem fit in the interest of the Company;

RESOLVED FURTHER THAT the Board of Directors including any Committee so appointed by it or one or more Directors of the Company be and is hereby authorized with power to finalize the terms and conditions to sell, transfer and/or otherwise dispose of the said plant and machinery and to execute all the required documents including agreements, memorandum, deeds of assignments / conveyance and any other documents with such modifications as may be required from time to time and to do all such acts, deeds, matters and things as may be deemed necessary and/or expedient for completion of the transaction as aforesaid in the best interest of the Company."

For and on behalf of the Board of Directors
Simplex Mills Company Limited

Sd/-
Shekhar R Singh
Director

Mumbai, 27th August, 2014

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act) read with Section 110 of the Act containing all material facts in respect of the Special Resolution as specified above is annexed hereto.
2. The Company has appointed CS Manish L Ghia, Partner, Manish Ghia & Associates, Company Secretaries, Mumbai to act as the Scrutinizer for conducting the Postal Ballot including e-voting process in a fair and transparent manner.
3. The Resolution passed by the Members through Postal Ballot is deemed to have been passed effectively at a General Meeting of the Members.
4. The Notice is being sent to all the Members, whose names appear in the Register of Members/list of Beneficial Owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) on Friday, 22nd August, 2014.
5. In compliance with provisions of Section 108 of the Act and also compliance with Clause 35B of the Listing Agreement and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide Members an alternate facility to exercise their right to vote by electronic means. For this purpose the Company has entered into an agreement with CDSL for facilitating e-voting to enable the Members to cast their votes electronically:
 - I. The instructions for shareholders voting electronically are as under:
 - (i) Log on to the e-voting website www.evotingindia.com
 - (ii) Click on "Shareholders" tab.
 - (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
 - (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8

Digits Client ID,

- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the folio/client id number in the PAN field.• In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolution of any other company on which they are eligible to vote. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the

resolution contained in this Notice.

- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution, once you have decided to vote on, click on "SUBMIT", a confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user ID who would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- II. The instructions for shareholders voting through Physical Postal Ballot Form are as under:
- (A) Member(s) desiring to exercise vote by Postal Ballot shall complete the enclosed Postal Ballot Form and send it to the Scrutinizer in the enclosed self-addressed prepaid envelope. However, envelopes containing Postal Ballot, if deposited in person or sent by courier at the expenses of the Member will also be accepted.
- (B) The Postal Ballot Form, duly completed and signed by the Member(s) should reach the Scrutinizer not later than the close of working hours on Saturday, the 4th October, 2014. Any Postal Ballot Form received after this date will be strictly treated as if the reply from the Member (s) has not been received. No other form or photocopy of the Postal Ballot Form will be accepted.
- III The e-voting period commences on the **Friday, the 5th September, 2014 (10:00 am)** and ends on the **Saturday, the 4th October, 2014 (6:00 pm)**. 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 the **Friday, 22nd August, 2014**, may cast their vote electronically.
- IV In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- V 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 the Friday, 22nd August, 2014.
- VI 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, and forthwith to the any Directors of the Company or any other person duly authorized in this regard.
- VII All documents referred to in this Postal Ballot Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 6.00 pm) on all working days of the Company.
6. Kindly note that the Shareholders can opt only one mode of voting, i.e., either by Physical Ballot or e-voting. If members are opting for e-voting, then do not vote by Physical Ballot also and vice versa.
- However, in case Shareholders cast their vote by Physical Ballot and e-voting, then voting done through valid e-voting shall prevail and voting done by Physical Ballot will be treated as invalid.
7. Shareholders exercising 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 as to reach the Scrutinizer on or before the close of working hours on the Saturday, the 4th October, 2014 (6.00 pm).
- Please note that all Postal Ballot Forms received after the Saturday, the 4th October, 2014 (6.00 pm) will be strictly treated as if the reply from the member has not been received.
8. In case, shares are jointly held, the postal ballot form should be completed and signed (as per the specimen signature registered with the company) by the first named Member and in his/her absence, by the next named Member.
9. In case of shares held by companies, trusts, societies, etc. the duly completed Postal Ballot Form should be accompanied by a certified copy of the Board Resolution/ Authority letter together with attested specimen signature(s) of the duly authorized signatory/ies, giving requisite authority to the person voting on the Postal Ballot Form.
10. A tick (✓) mark should be placed in the relevant box signifying assent / dissent for the resolution, as the case may be, before mailing the Postal Ballot Form.
11. The Scrutinizer's decision on the validity or otherwise of the Postal Ballot / e-voting will be final.
12. The Results of e-voting and postal ballot form shall be aggregated and declared by to the any Directors of the Company or any other person duly authorized in this regard. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.simplex-group.com and on the website of CDSL within two(2) days of passing of the resolution and communicated to the Stock Exchange.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE ACT

Pursuant to the provision of Section 180 (1) (a) of the Act, to sell, lease or otherwise dispose of in any manner the whole of the undertaking of the Company, or substantially the whole of the undertaking of the Company, the Company requires the approval of the Members.

Due to continued losses and with no hope of any improvement in the operations, it is not viable to run the Textile plant of the Company situated at Akola, Maharashtra. The Company filed an application under Section 25 – O of the Industrial Disputes Act, 1947 with the Commissioner of Labour, Maharashtra State, Mumbai for closure of the said plant and the Company has received permission for closure of the said plant and requires to pay closure compensation to its workers and staff. Thus, it is necessary to sell, transfer and/or otherwise dispose of the whole or substantially the whole of plant and machinery of the said plant including all licenses, permits, consents and approvals whatsoever to any suitable party/parties in one or more tranches at such consideration and on such terms and conditions as the Board may deem fit in the interest of the Company;

Further, as per the provisions of Section 110 of the Act read with Rule 22 of the Companies (Management and Administration) Rules 2014, the said approval pursuant to

Section 180 (1)(a) of the Act is to be obtained by way of Postal Ballot. Accordingly, the resolution is being proposed to seek your consent, by way of Postal Ballot as per the requirement of the Act.

The Board of Directors, therefore, recommends the Special Resolution as set out in the Notice for your approval through Postal Ballot including e-voting.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

For and on behalf of the Board of Directors
Simplex Mills Company Limited

Sd/-
Shekhar R Singh
Director

Mumbai, 27th August, 2014

Registered Office:
30, Keshavrao Khadye Marg,
Sant Gadge Maharaj Chowk,
Mumbai-400 011