





# FILATEX INDIA LIMITED

CIN: L17119DN1990PLC000091

14<sup>th</sup> February, 2015

To,

Shri B.B.Tandon  
J- 238, FIRST FLOOR,  
SAKET, NEW DELHI- 110017

**Sub: Your Appointment as Independent Director of M/s Filatex India Limited**

Dear Shri B.B.Tandon,

It gives us immense pleasure to inform you that the Board of Directors of **M/s Filatex India Limited** in their meeting held on 13<sup>th</sup> February, 2015, after considering your consent letter to act as a Director of the Company, has appointed you as an Additional & Independent Director of **M/s Filatex India Limited** (hereinafter referred as "the Company") subject to the approval of the members in the ensuing Annual General Meeting.

The following are the terms and conditions of your appointment:

- a) **Appointment:-** You will hold the office for a period of five years with effect from 13<sup>th</sup> February, 2015. Your appointment as an Independent Director on the Board of Directors of the Company is subject to the provisions of the Companies Act, 2013 & the rules made thereunder and Listing Agreement.
- b) **Committee:-** The Board of Directors (the Board) may, if it deems fit, invite you for being appointed on one or more existing Board Committees or any such Committee that is set up in future as a Chairman or Member. Your appointment on such Committee(s) will be subject to the discretion of Board of Directors.
- c) **Role and Functions:-**
1. Your role and duties will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013;
  2. You shall :
    - i. Act in accordance with the Company's Articles of Association as may be amended from time to time;
    - ii. Act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interest of the Company;
    - iii. Help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
    - iv. Bring an objective view in the evaluation of the performance of Board and Management of the company;
    - v. Scrutinise the performance of Management in meeting agreed goals and objectives and monitor the reporting of performance;
    - vi. Discharge your duties with due and reasonable care, skill and diligence;
    - vii. Not involve yourself in a situation in which you may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company;
    - viii. Not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates;

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**REGD. OFFICE & WORKS**

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- ix. Satisfy yourself on the integrity of financial information and that the financial controls and the systems of risk management are robust and defensible;
- x. Safeguard the interests of all stakeholders, particularly the minority shareholders;
- xi. Balance the conflicting interest of the stakeholders;
- xii. Determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- xiii. Moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

**d) Duties:-**

1. undertake appropriate induction and regularly update and refresh your skills, knowledge and familiarity with the company;
2. seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
3. strive to attend all meetings of the Board of Directors and of the Board committees of which you are a member;
4. participate constructively and actively in the committees of the Board in which you are a chairperson or a member;
5. strive to attend the general meetings of the company;
6. where you have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that your concerns are recorded in the minutes of the Board meeting;
7. keep yourself well informed about the company and the external environment in which it operates;
8. not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
9. pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure yourself that the same are in the interest of the company;
10. ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
11. report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
12. acting within your authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
13. not to disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law;
14. Keep governance and compliance with the applicable legislation and regulations under review and the conformity of Company's practices to accepted norms.

**e) Status of Appointment:-**

You will not be an employee of the Company and this letter shall not constitute a contract of employment. You will be paid sitting fees for meetings of the Board and its Committees as may be decided by the Board and approved by the Shareholders, if required from time to time.

**f) Re-appointment:-**

The re-appointment of Independent Director shall be based on annual performance evaluation.

**g) Code of Conduct:-**

An Independent Director shall:

- 1) uphold ethical standards of integrity and probity;
- 2) act objectively and constructively while exercising his duties;
- 3) exercise his responsibilities in a bonafide manner in the interest of the company;
- 4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- 5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring or dissenting from the collective judgment of the Board in its decision making;
- 6) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- 7) refrain from any action that would lead to loss of his independence;
- 8) where circumstances arise which make an Independent Director lose his independence, the Independent Director must immediately inform the Board accordingly;
- 9) assist the company in implementing the best corporate governance practices.

**h) Disclosure, other directorships and business interest:-**

During the term, you agree to promptly notify the Company of any change in your directorships, and provide such other disclosure as may be required under the applicable laws. You also agree that upon becoming aware of any potential conflict of interest with your position as Independent Director of the Company, you shall promptly disclose the same to the Chairman and the Company Secretary. Please confirm that as on date of this letter, you have no such conflict of interest issues with your existing directorships.

**i) Change of personal detail:-**

During the term, you shall promptly intimate the Company Secretary and the Registrar of Company in the prescribed manner, of any change in any address or other contact and personal details provided to the Company.

**j) Evaluation Mechanism:-**

1. The Performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.
2. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the Independent Director.

**k) Separate meeting:-**

1. Independent Directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and other members of management;
2. All Independent Directors of the company shall strive to be present at such meeting;
3. The meeting shall:
  - a) review the performance of non-independent directors and the Board as a whole;
  - b) review the performance of the Chairperson of the company after taking into account the views of the executive directors and non-executive directors;
  - c) assess the quality, quantity and timings of the flow of information between the company management and the Board so that the Board and its members can perform their role effectively

**l) Resignation/Removal:-**

You may resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation. The Resignation shall take effect from the date on which the notice is received by the Company or the date, if any specified by you in the notice, whichever is later. Resignation or removal of an independent director shall be as provided in Sections 168 and 169 of the Companies Act, 2013.

Kindly confirm your acceptance of these terms by signing and returning to us the enclosed copy of this letter.

For FILATEX INDIA LIMITED



**Madhu Sudhan Bhageria**  
Vice Chairman & Managing Director  
DIN 00021934

Accepted



Signature \_\_\_\_\_  
Name: **B.B.TANDON**  
DIN: 00740511  
Date: 74.02.2015