



Dhanlaxmi FABRICS LTD.



Bhopar Village, Manpada Road, Dombivli (East) - 421 204.
Phone : 0251-2870589 / 2870590 / 91/ 92 • Fax : 0251-2870545
e-mail : info@dfi.net.in • Website : www.dfi.net.in

Date: 06-08-2019

**To,
Mukul Vinod Jhavar**

Sub: Appointment as an Additional Director of the Company

Dear Sir,

We are pleased to inform you that the Board of Directors (the "Board") of Dhanlaxmi fabrics Limited (the "Company") at its Meeting held on **06th August, 2019** have approved your appointment as an **Additional Executive Director** of the Company and will be regularized as Director in ensuing AGM, to perform the duties as assigned to you by the Board and as required under the Companies Act, 2013.

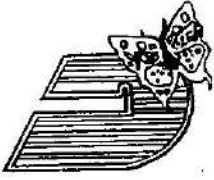
The terms & conditions of the appointment including the remuneration applicable to **Mr. Mukul Jhavar** annexed-1

Yours Sincerely,

For Dhanlaxmi Fabrics Limited

Vinod S. Jhavar

**VINOD JHAWAR
(DIRECTOR)**



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This appointment is subject to the following terms and conditions:

1. REMUNERATION AND TERM OF APPOINTMENT

The terms & conditions of the appointment including the remuneration applicable to **Mr. Mukul Jhawar** are as under:

- a) Period: 5 years w.e.f. 06th August, 2019 to 05th August, 2024 with the liberty to either party to terminate the appointment on three months' notice in writing to the other.
- b) Salary: Rs 3,00,000 per month with such increments as the Board may decide from time to time, subject however to a ceiling of Rs.10,00,000/- (Rupees Ten lakhs only) per month (not Inclusive of following perquisites)
 - i. Companies Contribution to Provident Fund;
 - ii. Gratuity as per rules of the Company;
 - iii. Provision for use of Company Car for official duties;
 - iv. Telephone at the residence including payment of Local/STD/ISD Calls for business use;
 - v. Payment of maintenance charges of society where he is residing, as per bills
 - vi. Reimbursement of medical expenses incurred for self and family without any ceiling.
 - vii. Reimbursement of Electricity charges
 - viii. Payment of Club fees/admission fees for two clubs.
 - ix. Leave and encashment of Leave at the end of the tenure in accordance with the rules of the Company
- c) The aggregate of the remuneration and perquisites as aforesaid, in any financial year, shall not exceed the limit set out under Sections 197 and 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 or any statutory modifications or re-enactments thereof for the time being in force, or otherwise as may be permissible at law. Provided that where, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay the above salary and allowances and provide the perquisites and other amenities as aforesaid to the Managing Director as and by way of minimum remuneration, subject to the applicable provisions of Schedule V of the Act and the approval of the Central Government, if required, or any other approvals as may be required under law.

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CIN No : I 17120MH1992PLC068861

- d) Commission of a sum calculated at 0.5% of the net profits of the Company in a particular financial year computed in the manner laid down in section 198, shall be paid within the overall ceilings stipulated in accordance with the provisions of Section 197 and other applicable provisions of the Companies Act, 2013.
- e) As long as **Mr. Mukul Jhavar** functions as the Executive Director of the Company, his office shall be subject to retirement by rotation.
- f) The Board or the Chairman of the Board may on the recommendation of the Nomination and Remuneration Committee of the Board give annual increases in basic salary, various allowances and perquisites, as may be deemed appropriate, so that the payment to **Mr. Mukul Jhavar** in respect of the aforesaid, does not exceed the limits specified above, during the period of his appointment.

Mr. Mukul Jhavar satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under Sub-Section (3) of Section 196 of the Act for being eligible for appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

2. BOARD COMMITTEE

You are also appointed to serve as an Executive Director of the following Committee(s) of the Board, if appointed by Board:

- Audit Committee
- Stakeholders' Relationship Committee
- CSR Committee

3. DIRECTORS & OFFICERS (D&O) INSURANCE

Presently, the Company has not any D&O liability insurance policy.

4. CODE OF CONDUCT

During your tenure, you are required to comply with the Code of Conduct for the Directors and Senior Management of the Company as amended from time to time.

5. CONFIDENTIALITY

You must apply the highest standards of confidentiality and not disclose to any person or company (whether during the course of the Appointment or Five years thereafter), any confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unless such disclosure is expressly approved by the Board or required by law concerning the Company and any Subsidiary/Associate Companies with which you come into contact by virtue of your position as a Executive Director.

Your attention is drawn to the requirements under both legislation and regulation as to the disclosure of unpublished price sensitive information. Consequently you should not make any statements that might risk a breach of these requirements without prior clearance from the Chairman or Company Secretary and you will strictly follow the SEBI Insider Trading Regulation in its true spirit.

On termination of the Appointment whether by resignation or efflux of time, you will deliver to the Company all books, documents, papers and other property of or relating to the business of the Company or any Subsidiary/Associate Company which are in your possession, custody or power by virtue of your position as a - Executive Director of the Company. The Company is able to arrange the disposal of papers which you no longer require.

6. CHANGES OF PERSONAL DETAILS

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

7. COOPERATION

In the event of any claim or litigation against the Company, based upon any alleged conduct, act or omission on your part during your Term, you agree to render all reasonable assistance and cooperation to the Company and provide such information and documents as are necessary and reasonably requested by the Company or its counsel.

9. TERMINATION

Your Directorship on the Board of the Company shall terminate or cease in accordance with law. Apart from the grounds of termination as specified in the Act, your Directorship may be terminated for violation of any provision of the Code of Conduct of the Company.

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.

10. ACCEPTANCE OF APPOINTMENT

By accepting this appointment, you confirm that you are able to allocate sufficient time to meet the expectations from your role to the satisfaction of the Board. We are confident that the Board and the Company will benefit immensely from your rich experience and we are eager to have you as an integral part of the growth of our Company. If these terms of appointment are acceptable to you, please confirm your acceptance by signing and returning the enclosed copy of this letter.

11. GOVERNING LAW

This document is governed by and will be interpreted in accordance with Indian Law and your engagement shall be subject to the jurisdiction of the Indian courts

and at Mumbai.

We look forward to have a valuable association with you.

Thanking You,
With Best wishes,
For Dhanlaxmi Fabrics Limited

Vinod S. Jhawar

Vinod Jhawar
(Managing Director)