



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,
Ms. Ayushi Gilra

Sub: Appointment as an Additional Director (Independent) 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 **06-08-2019** have approved your appointment as an **Additional Director (Non-Executive-Independent)** of the Company and will be regularized as Independent Director in ensuing AGM, if your appointment is approved by shareholders then it will be valid for a term of 5 (five) consecutive years upto 05.08.2024, not liable to retire by rotation, pursuant to section 149 and all other applicable provision, if any, of the companies Act, 2013 and Regulations 17 of the SEBI (LODR) 2015, subject to the detailed terms of this letter.

1. APPOINTMENT AND TERM THEREOF

Your appointment as a non-executive Independent Director on the Board of Directors (Board) of Dhanlaxmi Fabrics Limited will be for a period of FIVE years starting from - **06-08-2019 to 05.08.2024.**

In Compliance with provision section 149(13) of the companies Act, 2013, your directorship is not subject to annual election by members at the company's AGM.

Notwithstanding the other provision of this letter, the appointment may be terminated in accordance with the provision of the Articles of Association of the company or on failure to meet the parameters of independence as defined in section 149(6) or on the occurrence of any events as defined in section 167 of the companies Act, 2013.

2. BOARD COMMITTEE

You are also appointed to serve as a Non-Executive and Additional Independent Director of the following Committee(s) of the Board:

- Audit Committee
- Stakeholders' Relationship Committee
- Nomination and Remuneration Committee
- CSR Committee

Admn. Office : 285, Princess Street, C. J. House, 2nd Floor, Mumbai - 400 002.

Phone : 022-2208 4635 • 22008176 - 77 • Fax : 022-22089558

CIN No. : I 17120MH1992PI C068861

3. ROLE DUTIES AND RESPONSIBILITIES

You will devote such time to the affairs of the company as is required by yours duties as an Independent director.

You will perform the duties of Additional Independent Director in accordance with the Company's Articles of Association and code for Independent Directors as defined in Schedule IV to the Companies Act, 2013 and as per LODR and any documents relating to the respective duties of the Independent Director as approved by the Board.

Apart from attending Board and Committee Meetings, your role and duties will be those normally required of a Non-Executive Additional Independent Director under the Act and LODR, 2015. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and the same are specified under Section 166 of the Companies Act , 2013 especially under Schedule IV of the said Act (Copy attached).

In line with provision of clause IV sub clause 6 of Schedule IV, under Companies Act, 2013 the company will make public the terms & conditions of your appointment and will arrange for it be on displayed on the company's website.

4. DIRECTORS & OFFICERS (D&O) INSURANCE

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

5. CODE OF CONDUCT

During your tenure, you are required to comply with the Code for Independent Directors in pursuance to the provisions of Section 149(8) of the Companies Act, 2013 and more specifically provided in Schedule IV of the Act as amended from time to time.

Further you are also required to comply with the Code of Conduct for the Directors and Senior Management of the Company as amended from time to time.

6. CONFLICT OF INTEREST

It is accepted and acknowledged that you may have business interests other than those of the Company. As a condition to your appointment, you are required to declare any such directorships, shareholding more than 1% or strategic holdings, appointments and interests to the Board in writing in the prescribed form at the time of your appointment.

In the event that your circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgment that you are independent, this should be disclosed to both the Chairman and the Company Secretary.

7. 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 Non- Executive & Independent 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 Non-Executive and Independent Director of the Company. The Company is able to arrange the disposal of papers which you no longer require.

8. INDUCTION AND DEVELOPMENT

The Company shall, if required, conduct formal induction program for its Independent Directors. The Company shall, as may be required, support Directors to continually update their skills and knowledge and improve their familiarity with the Company and its business.

9. PERFORMANCE APPRAISAL I EVALUATION PROCESS

Your performance, as a member of the Board and committee, shall be evaluated annually. Evaluation shall be done by all the Other Directors. The criteria for evaluation shall be determined by the Nomination & Remuneration Committee and disclosed in the Company's Annual Report. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board/ Committee.

10. 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.

11. FEES/ REMUNERATION

You will be paid such fees/remuneration by way of sitting fees for attending the meetings of the Board and the Committees as may be decided by the Board from time to time, subject to approval of the shareholders, if required.

Further, the Company may pay or reimburse to you such fair and reasonable expenditure, as may have been incurred by you while performing your role as an Independent Director of the Company.

12. 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.

13. 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.

If, at any stage during the Term, there is a change that may affect your status as an Independent Director as envisaged in Section 149(6) of the Act, or if applicable, you fail to meet the criteria for "independence" under the provisions under the Companies Act, 2013 and Regulations of the SEBI (LODR) 2015, you agree to promptly submit your resignation to the Company with effect from the date of such change.

14. MISCELLANEOUS

This letter represents the entire understanding, and constitutes the whole agreement, in relation to your appointment and supersedes any previous agreement between yourself and the Company with respect thereto and, without prejudice to the generality of the foregoing, excludes any warranty, condition or other undertaking implied at law or by custom.

No waiver or modification of this letter shall be valid unless made in writing and signed by you and the Company.

As per regulations of the SEBI (LODR) 2015, if applicable, this letter along with your detailed profile shall be disclosed on the website of the Company and the relevant Stock Exchange.

An independent director shall be held liable, only in respect of such acts of omission or commission by a company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently with respect of the provisions contained in the Listing Agreement.

15. 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.

16. 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.

Ayush Gilra

Yours sincerely,

For DHANLAXMI FABRICS LIMITED

[Signature]

Sd/-
Chairman

AGREE AND ACCEPT

I have read and understood the terms of my appointment as an Independent Director of the Company and I hereby affirm my acceptance to the same.

Ayushi Gilra

Sd/- Signature

Name: **Ms. Ayushi Gilra**

Place: Mumbai

Date: 07-08-2019