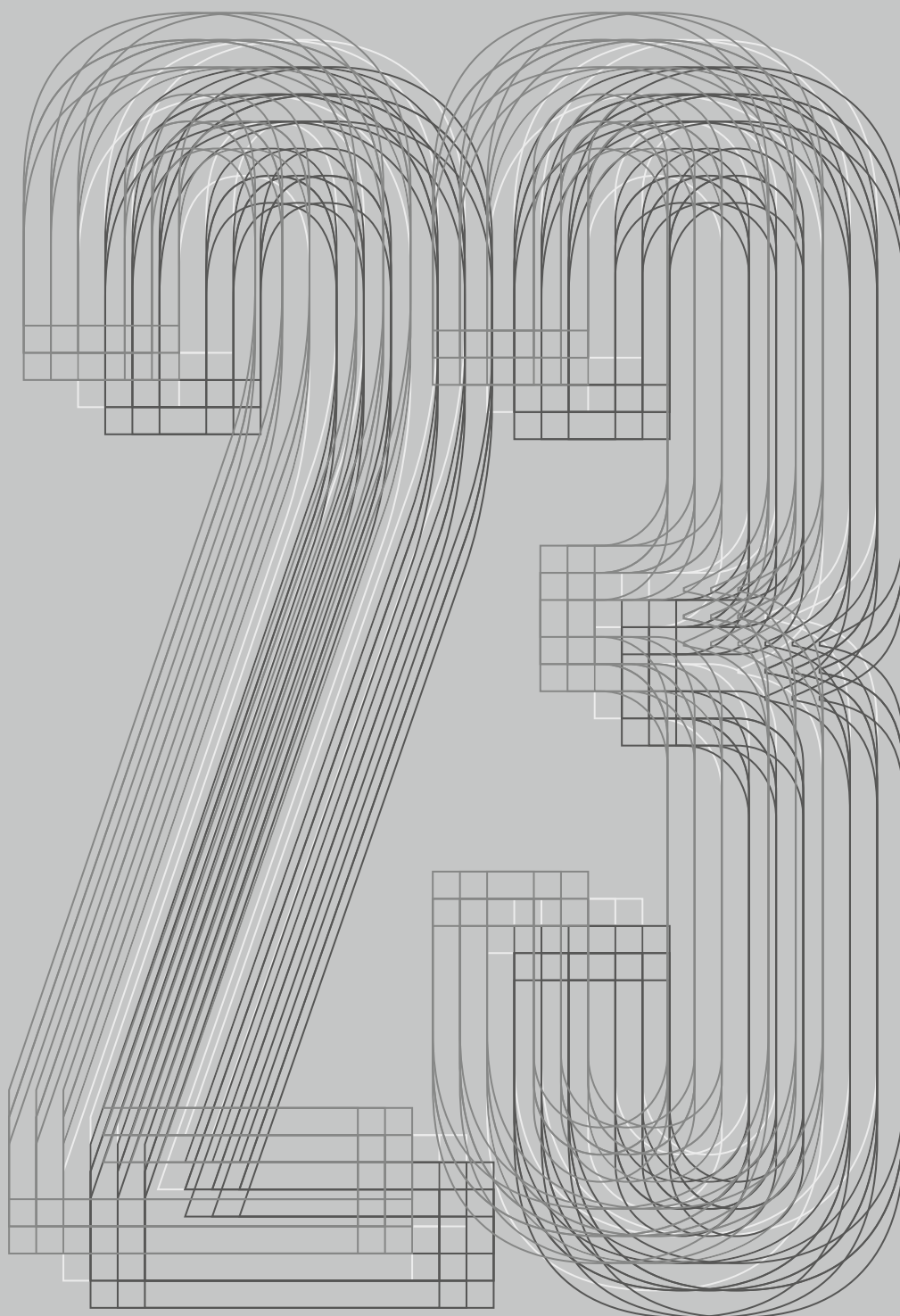




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**ANNUAL
REPORT
FILATEX
INDIA
LIMITED**

2012–2013





Board of Directors

Mr. Ram Avtar Bhageria
Chairman

Mr. Madhu Sudhan Bhageria
Vice Chairman & Managing Director

Mr. Purrshottam Bhaggeria
Joint Managing Director

Mr. Madhav Bhageria
Joint Managing Director

Mr. B.B. Tandon
Independent Director

Mr. S.C. Parija
Independent Director

Mr. S.P. Setia
Independent Director

Company Secretary

Mr. Raman Kumar Jha

Bankers

Union Bank of India
Punjab National Bank
Oriental Bank of Commerce
State Bank of India

Auditors

Amod Agrawal & Associates
D-58, East of Kailash
New Delhi - 110 025

Registered Office

S. No. 274, Demni Road,
Dadra - 396 191
(U.T. of Dadra & Nagar Haveli)

Corporate Office

BHAGERIA HOUSE
43, Community Centre,
New Friends Colony,
New Delhi - 110 025

Works

S. No. 274, Demni Road,
Dadra - 396 191
(U.T. of Dadra & Nagar Haveli)

A-2, Extension,
Phase - II (Noida)
Distt. Gautam Budh Nagar - 201 304 (U.P.)

Plot No. D-2/6, Jolva Village
PCPIR, Dahej-2 Industrial Estate
GIDC, Distt. Bharuch
Gujarat - 392 130

Registrar & Share Transfer Agents

MCS Limited

F-65, Okhla Industrial Area,
Phase-I, New Delhi- 110020

Tel : 011-41406148

Fax : 011-41709881

Email: admin@mcsdel.com

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Profile of Directors



Ram Avtar Bhageria

Chairman (Non Executive Director)

- Commerce graduate from the reputed Shri Ram College of Commerce, Delhi University, Delhi
- 50 years experience of Industry, specially of Synthetic Filament Yarn
- Member of Company's Audit committee
- Involved in various social activities and has been President of New Friends Club, New Delhi from 2004-08 and Past President of Resident Welfare Association, New Friends Colony from 2002-05
- Actively involved in various Philanthropic activities through the family foundation i.e. Bhageria Foundation & President of Lala Baijnath Bhageria Charitable Society



Madhu Sudhan Bhageria

Vice Chairman & Managing Director (Promoter)

- Gold Medallist Commerce graduate from the reputed Shri Ram College of Commerce, Delhi University, Delhi
- 25 years of experience in Polyester Industry
- Director in various other Companies
- President of Small & Medium Scale Polyester POY Manufacturers, New Delhi
- Socially active person & was Treasurer of Roshnara Club Limited, Delhi for many years



Purrshottam Bhaggeria

Joint Managing Director (Promoter)

- Master Degree in Business Administration from Cornell University, USA, 1985
- Honorary Consul of Republic of Moldova in the Republic of India
- Director and Treasurer of Honorary Consular Corps. Diplomatie-India
- Member of Honor society of Phi Kappa Phi, USA
- Co-author & Publisher of two unique and first of its kind Coffee Table Books: "Elite Clubs of India" and "Elite Collector of Modern & Contemporary Indian Art"
- Member of International Affairs Committee for CIS, PHD Chamber of Commerce & Industry
- Ex-Member of Governing Council, Software Technology Parks of India (an autonomous Society under Govt. of India, Ministry of Information Tech.)
- Ex-member of the Governing Body of Lakshmibai College, Delhi University



Madhav Bhageria

Joint Managing Director (Promoter)

- Commerce graduate from Hindu College, Delhi University, Delhi
- Looks after day to day plant operations at Dadra & Dahej and marketing functions of the Company based at Surat & Mumbai
- Promoter Director of Tapti Valley Education Foundation which is an International School in Surat
- Director in various other Companies



S. P. Setia

(Independent Director)

- Textile Technologist year of graduation 1962
- Rich experience in textile industry and providing consultancy to textile industry since 1982
- Chairman of Company's Shareholders Grievances Committee and Member of Audit Committee



S. C. Parija

(Independent Director)

- Masters Degree in Political Science from Allahabad University and a MSc in Fiscal Studies from University of Bath (U.K)
- Executive Member of International Fiscal Association, India
- Served as a Chairman of Income-Tax Settlement Commission and as Chief of Administration and Finance of All India Institute of Medical Sciences
- 38 years of services with the Government of India and served as the Director of Income-tax Investigation, Chief Commissioner of Income-tax and Director General of Income-tax Investigation
- Chairman of Company's Audit Committee and Member of Shareholders Grievances Committee
- Chairman of Audit Committee, Independent Director of Board of ARSS Infra Projects Limited



B. B. Tandon

(Independent Director)

- Retd. IAS Officer and former Chief Election Commissioner of India
- M.A. (PG in Economics) and LLB from the University of Delhi. CAIIB (Associate Certificate of the Indian Institute of Bankers)
- Served as Secretary to the Government of India in various key Ministries / Departments
- Member of the Securities & Exchange Board of India as Special Invitee
- Independent Director in various other renowned Companies
- Member of Company's Audit Committee

Filatex India Limited





NOTICE

NOTICE is hereby given that the Twenty Third Annual General Meeting of the Members of FILATEX INDIA LIMITED will be held on Monday, the 26th August, 2013 at 3.00 PM at the Registered Office of the Company at SURVEY NO.274, DEMNI ROAD, DADRA, (U.T. OF DADRA & NAGAR HAVELI)- 396 191 to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet of the Company as at March 31, 2013 and the Statement of Profit & Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Ram Avtar Bhageria, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Madhav Bhageria, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint Auditors for the financial year 2013-14 and authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a SPECIAL RESOLUTION:-
"RESOLVED THAT in accordance with the provisions of Section 198, 269, 309, 310 read with Schedule XIII of the Companies Act, 1956, and all other applicable provisions, if any, of the said Act including any statutory modification(s) or re-enactment thereof for the time being in force and subject to such other approvals as may be necessary in this regard, following managerial remuneration paid/payable to Shri Madhu Sudhan Bhageria, Vice Chairman & Managing Director, Shri Purrshottam Bhaggeria, Joint Managing Director and Shri Madhav Bhageria, Joint Managing Director (collectively referred as Managerial Persons) for the financial year 2012-13 which became in excess of 10% of the net profits of the Company and for the period 01.04.2013 to 29.07.2013 which is within the limit mentioned in clause I(B) of Section II of Part II of the Schedule XIII of the Companies Act, 1956 be and is hereby ratified, confirmed and approved as minimum remuneration:

Amount in ₹

Name of Managerial Persons	Remuneration paid for the financial year 2012-13	Remuneration paid/ payable for the period 01.04.2013 to 29.07.2013	Total
Madhu Sudhan Bhageria	43,02,423	14,49,357	57,51,780
Purrshottam Bhaggeria	32,36,317	11,05,476	43,41,793
Madhav Bhageria	26,23,077	9,23,193	35,46,270
	1,01,61,817	34,78,026	1,36,39,843

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for the matters connected therewith or incidental thereto."

6. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a SPECIAL RESOLUTION:-
"RESOLVED THAT in accordance with the provisions of Section 198, 269, 309, 310 read with Schedule XIII of the Companies Act, 1956, and all other applicable provisions, if any, of the said Act including any statutory modification(s) or re-enactment thereof for the time being in force and subject to such other approvals as may be necessary in this regard, consent of the Members of the company be and is hereby accorded to the reappointment of Shri Madhu Sudhan Bhageria as Managing Director of the Company for a period of 3 years w.e.f. 30.07.2013 on the following terms and conditions:-

Salary: ₹ 2,50,000 - 37,500 - 3,25,000 per month

Commission: One per cent of the net profits of the Company

Perquisites and Allowances: In addition to the aforesaid salary and commission, Shri Madhu Sudhan Bhageria shall also be entitled to perquisites like furnished accommodation or housing rent allowance in lieu thereof, gas, electricity, water and furnishings, medical reimbursement and leave travel concession for self and family, club fees, personal accident insurance and any other perquisites in accordance with the Rules of the Company, the monetary value of such perquisites would be restricted to 100% of salary. Perquisites shall be evaluated as per Income Tax Rules, wherever applicable, and in the absence of any such Rules, perquisites shall be evaluated at actual cost.

Shri Madhu Sudhan Bhageria shall also be eligible to the following perquisites which shall not be included in computation of ceiling on remuneration specified above:

- (a) Company's contribution towards Provident Fund and Superannuation Fund, Annuity fund to the extent these either singly or put together are not taxable under the Income Tax, 1961.
- (b) Gratuity payable not exceeding half month's salary for each completed year of service.
- (c) Encashment of unavailed Earned Leaves at the end of the tenure.
- (d) Use of Company car and telephone at residence for official purposes.



RESOLVED FURTHER THAT the consent of the Members of the Company be and is hereby accorded that where in the event of loss or inadequacy of profits in any financial year during the tenure, Shri Madhu Sudhan Bhageria shall be entitled to receive remuneration including perquisites/benefits mentioned above as minimum remuneration in accordance with and subject to the applicable provisions of schedule XIII of the Companies Act, 1956 including any statutory modification(s) or re-enactment thereof and subject to the approval of the Central Government, wherever required.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for the matters connected therewith or incidental thereto."

7. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a SPECIAL RESOLUTION:-

"RESOLVED THAT in accordance with the provisions of Section 198, 269, 309, 310 read with Schedule XIII of the Companies Act, 1956, and all other applicable provisions, if any, of the said Act including any statutory modification(s) or re-enactment thereof for the time being in force and subject to such other approvals as may be necessary in this regard, consent of the Members of the company be and is hereby accorded to the reappointment of Shri Purrshottam Bhaggeria as Joint Managing Director of the Company for a period of 3 years w.e.f. 30.07.2013 on the following terms and conditions:-

Salary: ₹ 2,00,000 - 30,000 - 2,60,000 per month

Commission: One per cent of the net profits of the Company

Perquisites and Allowances: In addition to the aforesaid salary and commission, Shri Purrshottam Bhaggeria shall also be entitled to perquisites like furnished accommodation or housing rent allowance in lieu thereof, gas, electricity, water and furnishings, medical reimbursement and leave travel concession for self and family, club fees, personal accident insurance and any other perquisites in accordance with the Rules of the Company, the monetary value of such perquisites would be restricted to 100% of salary. Perquisites shall be evaluated as per Income Tax Rules, wherever applicable, and in the absence of any such Rules, perquisites shall be evaluated at actual cost.

Shri Purrshottam Bhaggeria shall also be eligible to the following perquisites which shall not be included in computation of ceiling on remuneration specified above:

- (a) Company's contribution towards Provident Fund and Superannuation Fund, Annuity fund to the extent these either singly or put together are not taxable under the Income Tax, 1961.
- (b) Gratuity payable not exceeding half month's salary for each completed year of service.
- (c) Encashment of unavailed Earned Leaves at the end of the tenure.
- (d) Use of Company car and telephone at residence for official purposes.

RESOLVED FURTHER THAT the consent of the Members of the Company be and is hereby accorded that where in the event of loss or inadequacy of profits in any financial year during the tenure, Shri Purrshottam Bhaggeria shall be entitled to receive remuneration including perquisites/benefits mentioned above as minimum remuneration in accordance with and subject to the applicable provisions of schedule XIII of the Companies Act, 1956 including any statutory modification(s) or re-enactment thereof and subject to the approval of the Central Government, wherever required.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for the matters connected therewith or incidental thereto."

8. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a SPECIAL RESOLUTION:-

"RESOLVED THAT in accordance with the provisions of Section 198, 269, 309, 310 read with Schedule XIII of the Companies Act, 1956, and all other applicable provisions, if any, of the said Act including any statutory modification(s) or re-enactment thereof for the time being in force and subject to such other approvals as may be necessary in this regard, consent of the Members of the company be and is hereby accorded to the reappointment of Shri Madhav Bhageria as Joint Managing Director of the Company for a period of 3 years w.e.f. 30.07.2013 on the following terms and conditions:-

Salary: ₹ 2,00,000 - 30,000 - 2,60,000 per month

Commission: One per cent of the net profits of the Company

Perquisites and Allowances: In addition to the aforesaid salary and commission, Shri Madhav Bhageria shall also be entitled to perquisites like furnished accommodation or housing rent allowance in lieu thereof, gas, electricity, water and furnishings, medical reimbursement and leave travel concession for self and family, club fees, personal accident insurance and any other perquisites in accordance with the Rules of the Company, the monetary value of such perquisites would be restricted to 100% of salary. Perquisites shall be evaluated as per Income Tax Rules, wherever applicable, and in the absence of any such Rules, perquisites shall be evaluated at actual cost.

Shri Madhav Bhageria shall also be eligible to the following perquisites which shall not be included in computation of ceiling on remuneration specified above:

- (a) Company's contribution towards Provident Fund and Superannuation Fund, Annuity fund to the extent these either singly or put together are not taxable under the Income Tax, 1961.
- (b) Gratuity payable not exceeding half month's salary for each completed year of service.
- (c) Encashment of unavailed Earned Leaves at the end of the tenure.
- (d) Use of Company car and telephone at residence for official purposes



RESOLVED FURTHER THAT the consent of the Members of the Company be and is hereby accorded that where in the event of loss or inadequacy of profits in any financial year during the tenure, Shri Madhav Bhageria shall be entitled to receive remuneration including perquisites/benefits mentioned above as minimum remuneration in accordance with and subject to the applicable provisions of schedule XIII of the Companies Act, 1956 including any statutory modification(s) or re-enactment thereof and subject to the approval of the Central Government, wherever required.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for the matters connected therewith or incidental thereto."

9. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a SPECIAL RESOLUTION:-

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, Rules, Regulations, Guidelines, if any, of the Securities and Exchange Board of India (SEBI) (including any statutory amendment(s), modification(s) and/or re-enactment(s), and/or other concerned authority (ies) and subject to such approval(s), consent(s), permission(s) and/or sanction(s) of SEBI, Stock Exchanges, and/or any other concerned authority(ies), institution(s) or body(ies), as may be necessary and subject to such condition(s) as may be prescribed by any of them in granting any such approval, consent, permission or sanction, the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee of the Board to be constituted to exercise its powers, including the powers conferred by this resolution) be and is hereby authorized on behalf of the Company to issue, offer and allot by way of Preferential Issue 80,00,000 convertible Warrants (Warrants) to be convertible at the option of the Warrant holders in one or more tranches, within 18 months from the date of allotment of warrant into equivalent number of fully paid up equity shares of the company of the face value of Rs. 10 each for cash at an exercise price of Rs. 25 per share (including premium of Rs. 15 per share) which is higher than the price determined in accordance with the Regulations on Preferential Issue as contained in Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended as on relevant date i.e. 26th July, 2013 to following persons:

S.No.	Name of the persons	Category	Number of Warrants to be allotted
1	Mr. Madhu Sudhan Bhageria	Promoter	2455860
2	Mr. Purrshottam Bhaggeria	Promoter	2468280
3	Mr. Madhav Bhageria	Promoter	2475860
4	R N Khemka Enterprises Pvt. Ltd.	Public	600000
	Total		8000000

RESOLVED FURTHER THAT the minimum amount to be paid on the warrants at/before allotment shall be 25% of the exercise price as application money towards the warrants.

RESOLVED FURTHER THAT the Relevant Date for the purpose of calculating the exercise price of the warrants is 26th July, 2013 in terms of Chapter VII of SEBI (Issue of Capital and Disclosure Requirements), 2009.

RESOLVED FURTHER THAT the equity shares arising from the conversion of 80,00,000 Warrants shall not be transferred, sold, hypothecated or encumbered in any manner whatsoever for a period of one/three years from the date of allotment of equity shares on conversion, as applicable except in the manner and in accordance with Chapter VII of SEBI (Issue of Capital and Disclosure Requirements), 2009 as amended.

RESOLVED FURTHER THAT the Equity Shares so issued shall rank pari-passu in all respects with the existing Equity Shares of the Company except that the Equity Shares so issued shall be subject to lock-in for a period of one/three years from the date of allotment of equity shares on conversion or upto such extended period as per provisions of SEBI regulations and that the said Equity Shares will be listed on the Stock Exchanges where the existing Equity Shares of the Company are listed;

RESOLVED FURTHER THAT the equity shares, if any, already held by the proposed allottees shall be under lock-in from the relevant date i.e 26th July, 2013 upto a period of six months from the date of allotment of the said Warrants.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution to issue and allot the said Warrants/fresh Equity shares and listing thereof with the Stock Exchange(s), the Board of Directors (or the duly constituted Committee) be and are hereby authorized on behalf of the Company to take all actions and to do all such acts, deeds, matters and things as it may in its discretion, deem necessary, proper and desirable for such purpose and with powers on behalf of the Company to settle any question, difficulty or doubt that may arise in the proposed offer, issue and allotment of such Warrants/Equity Shares including utilization of the issue proceeds and to take such actions or give such directions as they may consider necessary and desirable and to obtain any approval(s), consent(s), permission(s) and/or sanction(s) which may be necessary or desirable, as they may deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorized to make in its own accord or to accept such amendments, modifications, variations and alterations as the SEBI, Stock Exchanges and/or any other appropriate authority(ies) may stipulate in this regard.



RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors to give effect to this resolution."

By Order of the Board of Directors
For FILATEX INDIA LIMITED

PLACE : NEW DELHI
DATE : 27TH JULY, 2013

RAMAN KUMAR JHA
COMPANY SECRETARY

REGISTERED OFFICE:
Survey No.274, Demni Road, Dadra
(U.T. of Dadra & Nagar Haveli) 396 191

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED AND SIGNED SHOULD REACH AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING. A BLANK PROXY FORM IS ENCLOSED.
2. Explanatory statement pursuant to Section 173(2) of the Companies, 1956 in respect of Special Business under item No. 5 to 9 of the Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from 19th August, 2013 to 26th August, 2013 (both days inclusive) for ensuing Annual General Meeting.
4. Members/Proxies should bring the attendance slip sent herewith duly filled in for attending the Meeting.
5. Members are requested to bring their copies of the Annual Report at the Annual General Meeting.
6. Members are requested to notify:
 - A) change of address, if any, with Pin Code, quoting reference of their folio number, to the Company.
 - B) members who are holding shares in Demat Mode are requested to notify any change in their address to their respective Depository Participant.
7. Members seeking any information with regard to Accounts are requested to write to the Company at least ten days in advance so as to enable the Company to keep the information ready.
8. Members who have not yet encashed dividend for the financial year 2009-10, 2010-11 and 2011-12 are requested to write to the Company Secretary of the Company.
9. All Documents referred to in the Notice and Explanatory Statement (including Auditor's Certificate certifying that the issue of the Warrants/Equity Shares is being made in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009) are open for inspection by the members at the Registered Office of the Company on any working day during office hours from 10.00 A.M. to 1.00 P.M. upto the date of the Meeting.
10. This Notice alongwith Explanatory Statement shall be treated as an abstract of the terms and conditions of reappointment and Memorandum of Interest in respect of reappointment of Shri Madhu Sudhan Bhageria as Managing Director and Shri Purushottam Bhaggeria and Shri Madhav Bhageria as Joint Managing Directors as well as ratification of remuneration as mentioned in Item No. 5 of the Notice.
11. As a part of Green initiative in the Corporate Governance, the Ministry of Corporate Affairs (MCA) vide its circulars dated 21st and 29th April, 2011, permitted service of documents through electronic mode in place of physical mode to all the shareholders. Your Company is also keenly desiring to participate in such initiative and request all the shareholders **to update their email IDs with their Depositories (NSDL & CDSL) or send their email IDs alongwith DP ID/Client ID to the Company to enable your Company to serve all future communication through email.** Keeping in view of the aforesaid initiative of MCA, your Company shall send the Annual Report, to its Members in electronics form, to the email address provided by them.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 5

Shri Madhu Sudhan Bhageria, Vice Chairman & Managing Director, Shri Purushottam Bhaggeria, Joint Managing Director & Shri Madhav Bhageria, Joint Managing Director were appointed for a further period of five years w.e.f. 30.07.2008.

During the financial year 2012-13, the company could not earn the expected net profit due to sluggish demand on account of slowdown in economy and adverse fluctuation in foreign exchange rate, higher finance cost & depreciation. Therefore the managerial remuneration paid/payable as set out in the Notice became in excess of 10% of the net profits of the Company. However the same is within the limits specified in clause I(B) of Section II of Part II of the Schedule XIII of the Companies Act, 1956.

Remuneration Committee and the Board of Directors of the Company in their meeting held on 27th July, 2013 have approved the managerial remuneration as set out in the resolution.

In terms of Schedule XIII of the Companies Act, 1956, consent of the members of the Company is required by way of Special resolution to ratify, confirm and approve the payment of managerial remuneration. The statements as required under Schedule XIII of the Companies Act, 1956 are given below.



Your Directors recommend passing of the Resolutions at Item No. 5 as SPECIAL RESOLUTION.

None of the Directors of the Company except Shri Madhu Sudhan Bhageria, Shri Purrshottam Bhaggeria, Shri Madhav Bhageria and Shri Ram Avtar Bhageria are deemed to be concerned or interested in the said Resolution.

Item No(s). 6 to 8

Shri Madhu Sudhan Bhageria, Vice Chairman & Managing Director, Shri Purrshottam Bhaggeria, Joint Managing Director & Shri Madhav Bhageria, Joint Managing Director were appointed for a further period of five years w.e.f. 30.07.2008.

Remuneration Committee and the Board of Directors of the Company in their meeting held on 27th July, 2013 re-appointed Shri Madhu Sudhan Bhageria as Managing Director, Shri Purrshottam Bhaggeria and Shri Madhav Bhageria as Wholetime Directors designated as Joint Managing Directors on the terms and conditions and remuneration as stated in the respective resolutions for a period of three years w.e.f. 30.07.2013.

In the event of loss or inadequacy of profits in any financial year, they shall be eligible to receive the said remuneration alongwith perquisites/benefits as minimum remuneration in accordance with Schedule XIII of the Companies Act, 1956 including any statutory modification(s) or re-enactment thereof. As an abundant caution, the statements as required under Schedule XIII of the Companies Act, 1956 are given below.

The profile(s) of the aforesaid appointees have been set out in the Report on Corporate Governance annexed with the Directors' Report.

Your Directors recommend passing of the Resolutions at Item No. 6 to 8 as SPECIAL RESOLUTIONS.

None of the Directors of the Company except Shri Madhu Sudhan Bhageria, Shri Purrshottam Bhaggeria, Shri Madhav Bhageria and Shri Ram Avtar Bhageria are deemed to be concerned or interested in these resolutions.

Statement as required under Section II, Part II of the Schedule XIII of the Companies Act, 1956 with reference to the Resolutions at Item Nos. 5 to 8 of the Notice for the 23rd Annual General Meeting of FILATEX INDIA LIMITED

I GENERAL INFORMATION

- (1) **Nature of Industry:** The Company is engaged in manufacturing of Synthetic yarns viz polyester Partially Oriented Yarns (POY), polyester Filament yarns, Textured yarns, Polyester chips, Nylon filament yarns, Polypropylene Multi & Mono Filament Yarns and Narrow fabrics.
- (2) **Date or expected date of commencement of Commercial production:** The Company was incorporated on 8th August, 1990 as a Public Limited Company. The Company is already in operation after obtaining Certificate of Commencement of business on 5th September, 1990.
- (3) **In case of new companies, expected date of commencement of activities as per project approved financial institutions appearing in the prospectus:** Not applicable
- (4) **Financial performance based on given indicators:** (₹ in lacs)

	2012-13	2011-12	2010-11
Turnover (total revenue)	123496.35	47443.12	49447.00
Profit/(Loss) before Tax	386.95	1943.86	2802.03
Net Profit/(Loss)	235.57	1370.09	1901.13
Paid up Share capital	2400.00	2400.00	1714.14
Reserves and Surplus	12556.39	12181.35	8746.73

- (5) **Export performance and net foreign exchange collaborations:** The Company has earned foreign exchange of ₹ 1642.41 lacs during the financial year 2012-13.
- (6) **Foreign investments or collaborators, if any:** None

II INFORMATION ABOUT THE APPOINTEES:

SHRI MADHU SUDHAN BHAGERIA

- (1) **Background details:** Shri Madhu Sudhan Bhageria, Promoter & Managing Director, aged about 54 years, is commerce graduate from Shri Ram College of Commerce, University of Delhi. He is actively involved in the management of the company since its incorporation and has played a key role in its growth & developments and he has been the force behind the exponential growth of the Company. He is also the nominee Director of Association of Synthetic Fibre Industry, Surat and the President of Small & Medium Scale Polyester POY Manufacturers Association, New Delhi.
- (2) **Past Remuneration:** ₹ 53,28,012, ₹ 50,90,693 & ₹ 43,02,423 for financial years 2010-11, 2011-12 & 2012-13 respectively
- (3) **Recognition or awards:** Nil
- (4) **Job profile and his suitability:** Shri Madhu Sudhan Bhageria, Promoter & Managing Director, looks after overall operations including Production, Modernization & Expansion of the Company under the supervision and control of the Board of Directors. He has more than 25 years of rich experience in polyester industry. In consideration of the performance of his duties as the Managing Director, the Board of Directors and Remuneration Committee in their meetings on 27th July 2013 have approved his appointment and remuneration as set out in Item No. 6 of the Notice.
- (5) **Remuneration proposed:** Mentioned in Item No. 6 of the Notice.