

26

ANNUAL REPORT  
2015–2016



FILATEX  
INDIA  
LIMITED





## Board of Directors

### Mr. Madhu Sudhan Bhageria

Vice Chairman & Managing Director  
DIN: 00021934

### Mr. Purrshottam Bhaggeria

Joint Managing Director  
DIN: 00017938

### Mr. Madhav Bhageria

Joint Managing Director  
DIN: 00021953

### Mr. Ashok Chauhan

Wholetime Director  
DIN: 00253049

### Mr. B.B. Tandon

Independent Director  
DIN: 00740511

### Mr. S.C. Parija

Independent Director  
DIN: 0363608

### Mr. S.P. Setia

Independent Director  
DIN: 00255049

### Mrs. Pallavi Joshi Bakhru

Independent Director  
DIN: 01526618

### Company Secretary

Mr. Raman Kumar Jha

### Chief Financial Officer

Mr. R.P. Gupta

## Bankers

Union Bank of India  
Punjab National Bank  
Oriental Bank of Commerce

## 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)  
Ph: 260-2668343/8510  
Fax: 260-2668344  
Email: fildadra@filatex.com  
Website: filatex.com  
CIN: L17119DN1990PLC000091

## 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 Share Transfer Agent 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

**MADHU SUDHAN BHAGERIA**

*Vice Chairman & Managing Director (Promoter)*

- Gold medallist Commerce graduate from the reputed Shri Ram College of Commerce, Delhi University
- 35 years of rich experience in Polyester Industry
- Director in various other Companies
- President of PTA Users Association
- Chairman of Company's CSR Committee and Member of Audit Committee and Nomination & Remuneration Committee

**PURRSHOTTAM BHAGGERIA**

*Joint Managing Director (Promoter)*

- M.B.A., S.C. Johnson Graduates School of Management, Cornell University, USA – 1985, Major: Finance, Graduated with Distinction
- Honorary Consul of the Republic of Moldova in the Republic of India since 2011
- Treasurer, Hony. Consular Corps Diplomatique (HCCD) – India since November 2012 (An All India Body of all the Honorary Consuls in India)
- Vice Chairman of International Affairs Committee, PHD Chamber of Commerce
- Member of FICCI
- Member of many prestigious clubs in Delhi & NCR:- Delhi Golf Club, Qutab Golf club, Friends Club, Noida Golf Club, Siri Fort Sports Complex.

**MADHAV BHAGERIA**

*Joint Managing Director (Promoter)*

- Commerce graduate from Hindu College, Delhi University
- Looks after plant operations and marketing functions of the Company.
- Promoter Director of Tapti Valley Education Foundation which is an International School in Surat.
- Directors in various other Companies
- Member of Company's CSR Committee

**ASHOK CHAUHAN**

*Wholetime Director*

- B.E. (Mech) and Master Degree in Business Administration.
- Awarded Gold Medal for the best student of the College of 1968-1973 batch and also received Best Sportsman Award in college
- Vast experience in Marketing, Project Management, General and overall Operation, Corporate Planning, Risk Evaluation & Business Investment Strategies
- 44 years of experience in diverse industry segments like Pulp & Paper, Chemicals, Engineering Consultancy, Polyester Film, Hydro Power Plants, Solar / Wind / Renewable Energy, Real Estate Development & Construction, etc.

**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 Stakeholders Relationship Committee
- Member of Company's Audit Committee and Nomination & Remuneration Committee
- Directors in various other Companies

**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 Nomination & Remuneration Committee
- Member of Company's Stakeholders Relationship Committee
- Independent Director of Board of ARSS Infra Projects Ltd. and Chairman of Audit Committee and Nomination & Remuneration Committee thereof

**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
- Secretary to the Govt. of Himachal Pradesh in various key Departments like Industry, Power, Mining etc. and as Chairman of the Himachal Pradesh Electricity Board
- Served as Member of the Securities & Exchange Board of India as Special Invitee.
- Independent Director in various other renowned Companies
- Member of Company's Audit Committee, CSR Committee and Nomination & Remuneration Committee

**PALLAVI JOSHI BAKHRU***(Independent Director)*

- Has more than 26 years of post-qualification experience in the field of taxation. Her area of expertise includes inbound and outbound structuring advisory (including regulatory compliance) for both Indian and Overseas Investors.
- She is a fellow member of the Institute of Chartered Accountants of India
- She is a member of The International Fiscal Association – (India Branch)
- She is a Charter Member with TIE – Delhi Chapter.
- Member of Company's Audit Committee, CSR Committee and Nomination & Remuneration Committee



# Filatex India Limited







## NOTICE

NOTICE is hereby given that the Twenty Sixth Annual General Meeting of the Members of FILATEX INDIA LIMITED will be held on Friday, 30th September, 2016 at 9.30 AM at the Registered Office of the Company at SURVEY NO.274, DEMNI ROAD, DADRA, (U.T. OF DADRA & NAGAR HAVELI) - 396 193 to transact the following businesses:

### ORDINARY BUSINESS

1. To receive, consider and adopt:
  - (a) the Audited Financial Statements of the Company for the financial year ended March 31, 2016 together with the reports of the Board of Directors and Auditors thereon.
  - (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2016 together with the Reports of the Auditors thereon
2. To appoint a Director in place of Shri Ashok Chauhan (DIN:00253049), who retires by rotation, and being eligible, offers himself for re-appointment.
3. To ratify the appointment of M/s Amod Agrawal & Associates, Chartered Accountants (Firm Registration No.005780N), as approved by the Members at the 24<sup>th</sup> Annual General Meeting as Auditors of the Company to hold office until the conclusion of the twenty seventh AGM of the Company and to fix their remuneration for the financial year ended 31<sup>st</sup> March 2017.

### SPECIAL BUSINESS

4. To consider and, if thought fit, to pass the following Resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT in accordance with the provisions of Section 196, 197, 198 & 203 read with Schedule V of the Companies Act, 2013 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 Company be and is hereby accorded to the reappointment of Shri Madhu Sudhan Bhageria (DIN:00021934) as Managing Director of the Company for a period of 3 years w.e.f. 30.07.2016 on the following terms and conditions:-

Salary: ₹3,50,000 - 35,000 - 4,20,000 per month

Commission payable: 1% of Net Profits of First Rs. 10 crore and additional 0.50% of Net Profits exceeding Rs. 10 crore

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, medical/personal accident/travel 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's car and telephone at residence for official purposes.
- e) Notice Period: Three Months

RESOLVED FURTHER THAT consent of the Company be and is hereby accorded that 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 V of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof and subject to the approval of the shareholders and 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.”



5. To consider and, if thought fit, to pass the following Resolution as a **SPECIAL RESOLUTION**:-

“RESOLVED THAT in accordance with the provisions of Section 196, 197, 198 & 203 read with Schedule V of the Companies Act, 2013 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 Company be and is hereby accorded to the reappointment of Shri Purshottam Bhaggeria (DIN:00017938) as Joint Managing Director of the Company for a period of 3 years w.e.f. 30.07.2016 on the following terms and conditions:-

Salary: ₹3,00,000 - 30,000 - 3,60,000 per month

Commission payable: 1% of Net Profits of First Rs. 10 crore and additional 0.50% of Net Profits exceeding Rs. 10 crore

Perquisites and Allowances: In addition to the aforesaid salary and commission, Shri Purshottam 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, medical/personal accident/travel 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 Purshottam 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's car and telephone at residence for official purposes.
- (e) Notice Period: Three Months

RESOLVED FURTHER THAT the consent of the Company be and is hereby accorded that in the event of loss or inadequacy of profits in any financial year during the tenure, Shri Purshottam 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 V of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof and subject to the approval of the shareholders and 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.”

6. To consider and, if thought fit, to pass the following Resolution as a **SPECIAL RESOLUTION**:-

“RESOLVED THAT in accordance with the provisions of Section 196, 197, 198 & 203 read with Schedule V of the Companies Act, 2013 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 Company be and is hereby accorded to the reappointment of Shri Madhav Bhageria (DIN:00021953) as Joint Managing Director of the Company for a period of 3 years w.e.f. 30.07.2016 on the following terms and conditions:-

Salary: ₹3,00,000 - 30,000 - 3,60,000 per month

Commission payable: 1% of Net Profits of First Rs. 10 crore and additional 0.50% of Net Profits exceeding Rs. 10 crore

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, medical/personal accident/travel 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's car and telephone at residence for official purposes.

(e) Notice Period: Three Months

RESOLVED FURTHER THAT the consent of the Company be and is hereby accorded that 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 V of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof and subject to the approval of the shareholders and 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 the following Resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 & 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and the approval of Members in the ensuing General Meeting and subject to such other approvals as may be necessary in this regard, consent of the Company be and is hereby accorded to the reappointment and payment of remuneration to Shri Ashok Chauhan (DIN: 00253049) as Wholtime Director of the Company for a further period of two years w.e.f. 01.05.2016 on the following terms and conditions:

1. Remuneration not exceeding ₹ 40,00,000/- (Rupees Forty Lacs) per annum on cost to company basis as may be determined between the Vice Chairman & Managing Director of the Company and Shri Ashok Chauhan.
2. Reimbursement of actual traveling and out of pocket expenses incurred in the course of the company's business and mobile phone as per the rules of the company.
3. Entitlement to privilege leave with full pay and casual leave benefits as per the rules of the company.
4. No sitting fee shall be payable for attending the meeting of the Board of Directors and Committees thereof.
5. Notice Period: Three months.

RESOLVED FURTHER THAT the consent of the Company be and is hereby accorded that in the event of loss or inadequacy of profits in any financial year during the tenure, Shri Ashok Chauhan 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 V of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof.

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 the following Resolution as an **ORDINARY RESOLUTION**:-

"RESOLVED THAT pursuant to Section 148 of the Companies Act, 2013 and rules made thereunder and other applicable provisions, if any, of the Companies Act, 2013, the payment of Remuneration of ₹ 50,000 (Rupees Fifty Thousands) plus service tax and out of pocket expense to M/s Bahadur Murao & Co., a firm of Cost Auditors, (Firm Registration No. 000008), who were appointed by the Board of Directors in their Meeting held on 22<sup>nd</sup> April, 2016, for conducting the audit of cost records of the Company for the financial year ending 31<sup>st</sup> March 2017, be and is hereby approved and ratified".

By Order of the Board of Directors  
For FILATEX INDIA LIMITED

PLACE: NEW DELHI  
DATE : JULY 30, 2016

RAMAN KUMAR JHA  
COMPANY SECRETARY

REGISTERED OFFICE:  
Survey No.274, Demni Road, Dadra  
(U.T. of Dadra & Nagar Haveli) 396 193  
Phone no. 260-2668343/8510  
Fax No.260-2668344  
Email: fildadra@filatex.com  
Website: filatex.com  
CIN: L17119DN1990PLC000091



**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. The blank proxy form is enclosed. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
2. Explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business under item No. 4 to 8 of the Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company shall be closed from 19<sup>th</sup> September, 2016 to 30<sup>th</sup> September, 2016 (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 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. As a part of Green initiative in the Corporate Governance, the Ministry of Corporate Affairs (MCA) vide its circulars dated 21<sup>st</sup> and 29<sup>th</sup> 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.

**11. Voting through electronic means**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and as amended from time to time and SEBI Listing Regulation, the Company is pleased to provide members facility to exercise their right to vote at the 26<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

The facility for voting through polling paper shall be made available at the AGM to the members attending the meeting, who have not cast their vote by remote e-voting, to enable them to exercise their right at the meeting.

The members, who have cast their vote by remote e-voting prior to the AGM, may also attend the AGM but shall not be entitled to cast their vote again.

The remote e-voting period commences on 27<sup>th</sup> September 2016 (9:00 am) and ends on 29<sup>th</sup> September, 2016 (5:00 pm). During this period, members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 23<sup>rd</sup> September, 2016 may cast their vote by remote e-voting.

The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

I. The process and manner for remote e-voting are as under:

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
  - i. Open email and open PDF file viz; "FIL remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.