



Texel Industries Limited

CIN: L29100GJ1989PLC012576

Registered Office: Block No. 2106, Santej Khatraj Road, Nr. Shah Alloys Ltd. Village: Santej, Tal:Kalol (N.G.),
Dist: Gandhinagar-382721, Gujarat, India.

<Date>

<Name and Address>

Dear <Name of the Director>,

Subject – Intimation regarding approval of your appointment as an Independent Director, by the shareholders of the Company.

We are pleased to inform you that the Shareholders of the Company vide resolution passed at the _____ Annual General Meeting of the Company held on _____, approved your appointment as an Independent Director of the Company.

This letter of appointment sets out the terms of your appointment as an Independent Director of M/s Texel Industries Limited (the “Company”), such appointment is also subject to the applicable provisions of the Companies Act, 2013 (“2013 Act”), Clause 49 of the Company’s Listing Agreement with the Stock Exchanges (“Listing Agreement”), any other applicable laws/rules, and the Articles of Association of the Company, which are as follows:

1. Appointment –

- a) Your appointment is for a term of five consecutive years from _____ to _____. You will not be liable to retire by rotation during this period.
- b) The term “Independent Director” should be construed as defined under Section 149(6) Companies Act, 2013 and Clause 49 of the Listing Agreement (amended vide circular issued by Securities Exchange Board of India vide ref No. CIR/CFD/POLICY CELL/2/2014 dated 17th April, 2014 and effective from 1st October, 2014).
- c) Re-appointment at the end of the Term shall be based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Board and the Shareholders. Your re-appointment would be considered by the Board based on the outcome of the performance evaluation process and you continuing to meet the independence criteria.

2. Committee –

As per the Board’s current assessment, you are currently a Chairman/Member of the following Committees:

- _____ Committee – Chairman/Member

The Board of Directors (the Board) may invite you for being appointed on one or more of the existing Board Committees or any Committee(s) that may be set up in the future. Your appointment on such Committee(s) will be subject to the applicable legal requirements.

3. Time commitment –

As an Independent Director you are expected to bring objectivity and independence to the Board's discussions and provide the Board with effective leadership in relation to the Company's strategy, performance, and risk management, as well as ensuring high standards of financial probity and corporate governance. The Board and the audit committee meets at least four times in a year. The Nomination and Remuneration Committee meetings are ordinarily convened twice in a year and other committees as per requirement. You will be expected to attend the Board, the Board Committees and the Annual General Meetings and to devote sufficient time, as required for you to discharge your duties effectively. Ordinarily, all Board and Committee meetings are held in Mumbai.

By accepting this appointment, you confirm that you are in a position to allocate sufficient time to meet the expectations of your role to the satisfaction of the Board.

4. Role, Duties and Responsibility –

Your role and duties will be those normally required of an Independent Director under the Companies Act, 2013 and the listing agreement. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and inter alia are as under:

- I. You shall abide by the "Code for Independent Directors" as outlined in Schedule V to Section 149(8) of the Companies Act, 2013 and duties of directors as provided in the Section 166 of the Companies Act, 2013 and Clause 49 of the Listing Agreement as amended from time to time to the extent relevant and applicable to your role.
- II. You shall 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 interests of the Company.
- III. You shall discharge your duties with due and reasonable care, skill and diligence.
- IV. You shall not involve yourself in a situation in which you may have a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company/ _____ Group or bring discredit to it. Any situation that creates a conflict of interest between personal interests and the Company and its stakeholders' interests, must be avoided at all costs. Please refer to clause 7 for full explanation on conflict of interest.

5. Status of Appointment and Remuneration –

- a) You will not be an employee of the Company and this letter shall not constitute a contract of employment. You will be paid such remuneration by way of sitting fees for attending meetings of the Board and its Committees and Commission of Profits as may be decided by the Board and approved by the Members from time to time.
- b) The sitting fees presently paid to an Independent Director is Rs. 10,000/- per Board meeting attended and Rs.10,000/- per Committee meeting attended.

6. Reimbursement of Expenses –

In addition to the remuneration described in Clause 5 the Company will, for the period of your appointment, reimburse you for travel, hotel and other incidental expenses incurred by you in the performance of your role and duties.

7. Conflict of Interest –

- a. It is accepted and acknowledged that you may have business interests, memberships other than those of the Company. As a condition to your appointment commencing, you are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of your appointment.
- b. 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 judgement that you are independent, this should be disclosed to both the Chairman and the Secretary.

8. Confidentiality –

All information acquired during your tenure of directorship is confidential and should not be disclosed, either during your tenure or following termination (by whatever means) to third parties without prior clearance from the Chairman, unless required by law or by the rules of any stock exchange or regulatory body. In the latter case, you would be required to suitably inform the Chairman of such an event or disclosure. On reasonable request, you shall surrender any documents and other materials made available to you by the Company.

9. Dealing in shares –

Your attention is also drawn to the requirements under the applicable regulations and the Company's Code of Conduct relating to the Prohibition of the Insider Trading of the securities of the Company. This code inter alia prohibits the Directors from dealing in the Company's shares during the period when the trading window is closed. Consequently, you also are prohibited in disclosing of any unpublished price sensitive information and /or dealing in the securities of the Company, while in possession of the unpublished price sensitive information of the Company.

You shall not buy, sell or deal in the securities without the requisite prior clearance from the Company Secretary of the Company and in accordance with the Code of Conduct relating to the Prohibition of the Insider Trading of the securities.

10. Evaluation –

The Company will carry out an evaluation of the performance of the Board as a whole, Board Committees and the Directors on an annual basis. Your appointment and reappointment on the Board shall be subject to the outcome of the yearly evaluation process.

11. Insurance –

The Company has Directors' and Officers' liability insurance and it is intended that the Company will maintain such cover for the full term of your appointment.

12. Disclosure of Interest –

It is expected that any interest you may have in any transaction or arrangement that the Company has entered into should be disclosed no later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record your interest appropriately and our records are updated. A general notice that you are interested in any contracts with a particular person, firm or company is acceptable.

13. Independent Professional Advice –

There may be occasions when you consider that you need professional advice in furtherance of your duties as a Director and it will be appropriate for you to consult independent advisers at the Company's expense. The Company will reimburse the full cost of expenditure incurred in accordance with the Company's policy.

14. Termination –

- a. You may resign from your position at any time and should you wish to do so, you are requested to serve a reasonable written notice to the Board.
- b. Continuation of your appointment is contingent on your getting re-elected by the shareholders in accordance with provisions of the Companies Act, 2013, listing agreement and the Articles of Association of the Company, from time to time in force. You will not be entitled to any compensation if the shareholders do not reelect you at any time.
- c. Your appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company.

**Yours Sincerely,
For Texel Industries Limited**

**Shailesh Mehta
Managing Director**

I hereby acknowledge receipt of and accept the terms set out in this letter.

Signed

Dated