BIRLA COTSYN (INDIA) LIMITED

Regd Office: Dalamal House, 1st Floor, J B Marg, Nariman Point, Mumbai – 400021
Tel.: +91 022 22821173, +91 – 22 -66168400

Corporate Office: Regency Building, 1st Floor, 11-12 Office No., National Library Road, Near Nandi Cinema, Bandra (West), Mumbai 400 050.
Tel.: 022 26405866/26400067/66719956

To the members of Birla Cotsyn (India) Limited,

ABSTRACT UNDER SECTION 302 OF THE COMPANIES ACT, 1956 OF THE TERMS OF APPOINTMENT OF SHRI O.P.JAIN AS MANAGING DIRECTOR:

Shri P. V. R. Murthy who was appointed as Managing Director of the Company for a period of three years w.e.f. 10th August, 2011 (approved by the shareholders at the 69th Annual General Meeting of the Company held on 21st September, 2011), resigned from the position Director and Managing Director of the Company with effect from 30th September, 2012 to focus on wider responsibilities of The Yash Birla Group.

In view of the above, the Board of Directors of the Company at its meeting held on 8th November, 2012 has subject to the approval of the Members and any other regulatory authorities, as may be required unanimously appointed Shri Om Prakash Jain, Business Head of the Company as a Managing Director of the Company for a period of three years with effect from 8th November, 2012 on the terms and conditions including remuneration and perquisites as set out in the Agreement dated 8th November, 2012 entered into between the Company and Shri Om Prakash Jain, approved by the remuneration committee of the Company, extracts of which are provided hereunder:

The material terms of the appointment are as follows:-

1. **Period:** From 8th November, 2012 to 7th November, 2015.

2. **Nature of Duties:** Shri Om Prakash Jain shall devote his whole time and attention to the business of the company and carry out such duties as may be entrusted to him by the Board of Directors from time to time and exercise such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the company.

3. Remuneration:

(a) Consolidated Remuneration Rs. 3,50,000 per month.

(b) The company's contribution to provident fund and superannuation fund or annuity fund, gratuity payment as per company's rules and encashment of leave at the end of his tenure shall not be included in the computation of ceiling on remuneration and perquisites.

(c) The Managing Director shall be entitled to reimbursement of all expenses which may be incurred by him on behalf of the Company or in connection with the business of the Company including travel expenses.

(d) The Agreement may be terminated by either party by giving to the other party three months' notice in writing.

(e) Shri Om Prakash Jain so long as he functions as the Managing Director of the Company shall not be paid any sitting fees for attending meetings of the Board of Directors or Committee thereof.

(f) The office of the Managing Director will not be subject to retirement by rotation.

The remuneration payable as stated above and all other terms and conditions of the above appointment have been approved by the remuneration committee. In the event of loss or inadequacy of profits in any financial year during the tenure of Shri Om Prakash Jain as Managing Director of the Company, the remuneration as stated above will be paid as minimum remuneration pursuant to section 269 read with schedule XIII to the Companies Act, 1956 as amended from time to time.

Information about the appointee:

1. **Background details:** Shri Om Prakash Jain brings with him rich 32 years of experience in handling business of textile value chain right from Ginning, Spinning, Weaving, Dyeing and Processing. He brings with him complete exposure and understanding of both domestic and international markets.

2. **Qualification(s):** Shri Om Prakash Jain is a Post Graduate Diploma in Management from Indian Institute of Management & Technology with first division. He is also a Bachelor of business Administration from Dr. C.V. Raman University with first division. He holds Diploma in Mechanical Engineering from, Board of Technical Education, Rajasthan with first division.

3. **Past Remuneration**: Rs. 26 Lac Per Annum.

4. **Job Profile and his Suitability**: Shri Om Prakash Jain has been the Business Head of the Company for the past 5 years and has demonstrated high level of skills in terms of leadership, communication and techno-commercial decisions. He has complete understanding and knowledge of setting up Greenfield projects and possess knowledge of all functional areas like Accounts & Finance, Commercial, Marketing, Production, HR etc. Before joining Yash Birla Group, he has worked with various units of Modern Group of Industries and looked after all the activities from factory setup to marketing and implemented numerous nascent projects into successful revenue generating units. In view of his overall experience in various facets of the management, he is considered suitable for the position.

5. **Pecuniary relationship directly or indirectly with the Company, or relationship with managerial personnel, if any**:

Shri Om Prakash Jain has no pecuniary relationship with the Company, other than the remuneration payable to him as Managing Director. There are no managerial personnel related to Shri Om Prakash Jain.

Memorandum of concern or interest

Except Shri Om Prakash Jain, Managing Director of the Company who is concerned / interested in the appointment and the remuneration payable, none of the other directors of the Company is, in anyway, concerned or interested in the appointment and the remuneration payable.

A Copy of the agreement entered into with Shri Om Prakash Jain in respect of the above appointment is available for inspection at the registered office of the Company during business hours on all working days.

By Order of the Board of Directors

Place: Mumbai
Date: 21st November, 2012

Monica Gandhi
Company Secretary