

BIRLA COTSYN (INDIA) LIMITED

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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 SURESH KUMAR GUPTA AS MANAGING DIRECTOR:

Shri Om Prakash Jain who was appointed as Managing Director of the Company for a period of three years w.e.f. 8th November, 2012, resigned from the position of Director and Managing Director of the Company with effect from 17th December, 2012.

In view of the above, the Board of Directors of the Company at its meeting held on 14th January, 2013 has subject to the approval of the Members and any other regulatory authorities, as may be required unanimously appointed Shri Suresh Kumar Gupta, as a Managing Director of the Company for a period of three years with effect from 14th January, 2013 on the terms and conditions including remuneration and perquisites as set out in the Agreement dated 14th January, 2013 entered into between the Company and Shri Suresh Kumar Gupta, 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 14th January, 2013 to 13th January, 2016.
2. **Nature of Duties:** Shri Suresh Kumar Gupta 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 Suresh Kumar Gupta 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 Suresh Kumar Gupta 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 Suresh Kumar Gupta brings with him rich 32 years of experience in handling business of textile value chain. He brings with him complete exposure and understanding.
2. **Qualification(s):** Shri Suresh Kumar Gupta is a Chartered Accountant from the Institute of Chartered Accountants of India and is a B.Com graduate from Seth Motilal College, Jhunjhunu, Rajasthan.
3. **Past Remuneration:** Rs. 26 Lac Per Annum.
4. **Job Profile and his Suitability:** Shri Suresh Kumar Gupta was a CEO (Textile Division) in Kores India Ltd and led and managed transforming composite textile unit to spinning unit and turning it around to profits. Handling P & L of Rs. 100 Cr. T/O and 700 hundred workers of Gujarat unit. He is a techno-commercial person and was stationed at the plant in Wankaner, Gujarat, in charge of all commercial activities of purchase, sales marketing and administration. Handled budgeting and planning, cost control, accounting and auditing and general administration. 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 Suresh Kumar Gupta 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 Suresh Kumar Gupta.

Memorandum of concern or interest

Except Shri Suresh Kumar Gupta, 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 Suresh Kumar Gupta 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: 28th January, 2013

Sd/-
Director