

**KALPA-TARU®****KALPATARU POWER TRANSMISSION LIMITED**

Factory &amp; Registered Office :

101, Part III, G.I.D.C. Estate, Sector-28,

Gandhinagar-382 028, Gujarat. India.

Tel + 91 79 232 14000

Fax + 91 79 232 11951/52/58/60/66/68/71

Email : mktg@kalpatarupower.com

KPTL/12-13/1012  
November 23, 2012

**Bombay Stock Exchange Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort  
**MUMBAI - 400 001.**

K/A: Mr. S. Subramanian, DCS-CRD.

Script Code: 522287

**FAX No. 022- 22722039/ 37**

**National Stock Exchange of India Ltd.**  
'Exchange Plaza', C-1,  
Block 'G', Bandra-Kurla Complex  
Bandra (E)  
**MUMBAI – 400 051.**

**K/A: The Manager - Listing Department**

Script Code : KALPATPOWR

**FAX No. 022- 26598237/ 38**

**Ref : Listing Agreement Requirements.**

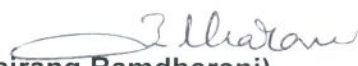
Dear Sirs,

We are enclosing herewith an Abstract and Memorandum under Section 302 of the Companies Act, 1956 containing the abstract of the terms and conditions for appointment of Mr. Ranjit Singh as Managing Director of the Company w.e.f. November 1, 2012.

You are requested to kindly take the above on your records and oblige.

Thanking you,

Yours faithfully,  
For **KALPATARU POWER TRANSMISSION LTD.**

  
(Bajrang Ramdharani)  
VP - Finance & Company Secretary

Encl: a/a

**ISO 9001 CERTIFIED COMPANY**

Corporate Office : 81, Kalpataru Synergy, Opp. Grand Hyatt, Santacruz (E), Mumbai 400 055. India.

Tel + 91 22 3064 5000 • Fax + 91 22 3064 2500 • www.kalpatarupower.com



**KALPATARU**

Power Transmission Limited

Plot No 101, Part-III, GIDC Estate, Sector-28, Gandhinagar - 382028, Gujarat, India.

To:

All Members of the Company,

**ABSTRACT AND MEMORANDUM UNDER SECTION 302 OF THE COMPANIES ACT, 1956**

The Board of Directors in its meeting held on 31<sup>st</sup> October, 2012, on recommendation of Nomination and Compensation Committee, have appointed Shri Ranjit Singh as Managing Director of the Company, subject to the approval of the shareholders at the next General Meeting. In compliance with the requirements of Section 302 of the Companies Act, 1956, an abstract of the terms of his appointment together with the memorandum of concern of interest is set out below:

The Agreement entered into by the Company in respect of his appointment in the company, interalia contains the following salient terms and conditions:

- |                  |   |                            |
|------------------|---|----------------------------|
| (1) Name         | : | Shri Ranjit Singh          |
| (2) Designation  | : | Managing Director          |
| (3) Tenure       | : | 01.11. 2012 to 31.10. 2017 |
| (4) Remuneration | : |                            |

**a) Fixed compensation**

|                 |   |                                |
|-----------------|---|--------------------------------|
| I) Basic Salary | : | Rs. 15,00,000 per month        |
| II) Allowances  | : | Rs. 10,00,000 per month        |
| Total           | : | <u>Rs. 25,00,000 per month</u> |

**b) Perquisites**

**PART-A :**

- |                      |   |                                                                                                                                                                        |
|----------------------|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| i. Housing           | : | Free furnished accommodation owned or hired by the Company at Ahmedabad/ Gandhinagar with maximum cost of Rs.1,00,000/- per month.                                     |
| ii. Medical Expenses | : | Premium paid by the company towards Personal Medical and Life Insurance Policy will be regarded part of fixed Compensation.                                            |
| iii. Club Fee        | : | The company shall arrange corporate membership of a reputed Club at Ahmedabad/ Gandhinagar.                                                                            |
| iv. Car              | : | Company's chauffeur driven car will be provided for use of Company's business and company will also provide a driver, maintenance cost and fuel for an additional car. |

- v. The Managing Director shall be entitled to paid vacation and holiday on an Annual Basis as per Company's policy applicable to senior management.

**PART-B :**

Contribution made towards the statutory provident fund and gratuity payable by the Company, will be regarded as part of allowance as stated above in fixed compensation and will not be included in the computation of ceiling on remuneration as specified in Schedule XIII of the Companies Act 1956 to the extent these are not taxable under the Income Tax Act 1961.

- |     |                                                        |
|-----|--------------------------------------------------------|
| I)  | Contribution to the Provident Fund                     |
| II) | Gratuity payable as per payment of Gratuity Act, 1972. |

**c) Profit linked variable commission/ bonus.**

- |     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| i)  | Such remuneration by way of profit linked variable commission/ bonus upto 2% of the profit before tax (after adjusting for interest on capital employed) of the company for each completed financial year of service and proportionate for the first year, in addition to salary, perquisites and allowances. The actual commission will be decided based on the parameters set from time to time by the Board which will include the performance of the company, business and individual and as may be determined by the Nomination and Compensation committee and / or by the Board of Directors of the Company, subject to the overall ceiling stipulated in Sections 198, 309 and schedule XIII of the companies Act, 1956. |
| ii) | The above remuneration and perquisites will exclude the value of Stock Option benefit to Managing Director, if any, approved and implemented by the Company and computed as per the Income Tax Act/Rule, which will be borne by the Company and shall be subject to all other statutory approvals under Applicable Laws.                                                                                                                                                                                                                                                                                                                                                                                                        |

**Minimum Remuneration:**

In the event of loss or inadequacy of profits in any Financial Year, Shri Ranjit Singh shall subject to the approval of the Central Government, if any required, be paid remuneration by way of Salary and Perquisites as specified above subject to the restriction, if any, set out in Schedule XIII of the Companies Act, 1956, from time to time.

**(5) Termination**

The appointment may be terminated by either party giving to the other 6 months notice in writing. However, the appointment may be terminated by less than 6 months notice by mutual agreement between the parties.

**MEMORANDUM OF CONCERN OR INTEREST**

None of the Directors of Company, other than Shri Ranjit Singh is concerned or interested in the appointment.

**Yours faithfully,**  
For KALPATARU POWER TRANSMISSION LIMITED  
Sd/-

Date : 06<sup>th</sup> November, 2012  
Place : Gandhinagar

**(BAJRANG RAMDHARANI)**  
**VP (FINANCE) & COMPANY SECRETARY**