

BATA INDIA LIMITED

Regd. Office: 6A, S.N. Banerjee Road, Kolkata - 700 013.

To
The Members of
BATA INDIA LIMITED

Sub: Abstract and Memorandum of Interest under Section 302 of the Companies Act, 1956

Re: Revised remuneration of Mr. Rajeev Gopalakrishnan, Managing Director and Mr. Ranjit Mathur, Director Finance

Dear Shareholder,

Mr. Rajeev Gopalakrishnan was appointed as the Managing Director – Bata Stores, Bata India Limited ('the Company') with effect from February 23, 2011 for a period of five years and was subsequently re-designated as the Managing Director of the Company with effect from October 01, 2011. Mr. Ranjit Mathur was appointed as the Director Finance of the Company with effect from February 29, 2012 for a period of five years. The terms of appointment including remuneration of Mr. Rajeev Gopalakrishnan, Managing Director and Mr. Ranjit Mathur, Director Finance were approved by the Shareholders at the Annual General Meetings of the Company held on June 28, 2011 and May 30, 2012, respectively.

Based on the recommendations of the Nomination, Governance and Compensation Committee, the Board of Directors of the Company at its meeting held on February 12, 2014 approved revision in the remuneration of Mr. Rajeev Gopalakrishnan, Managing Director and Mr. Ranjit Mathur, Director Finance, with effect from January 01, 2014, as detailed below:

A. Revised Remuneration of Mr. Rajeev Gopalakrishnan, Managing Director:

- 1. Basic Salary:** Rs.16,123,000/- per annum, payable monthly.
- 2. Special Allowance:** Rs.3,800,000/- per annum, payable monthly.
- 3. Variable Pay:** Rs.9,711,000/- per annum, which can be increased by an equal amount, based on the performance of the Company.
- 4. Perquisites & Allowances:** This will include house rent allowance, children's education, insurance & medical expenses, cost of Company provided car, maintenance, driver, maids, etc. and leave travel allowance, as per Rules of the Company and in accordance with the applicable provisions of the Companies Act, 1956, the Companies Act, 2013 (to the extent applicable), the Income Tax Act, 1961 and the Rules framed under these Acts.
- 5. Club Membership:** As per Rules of the Company.
- 6. Retirement Benefits:** As per Rules of the Company.

In addition to the above, Mr. Rajeev Gopalakrishnan shall be entitled to Long Term Incentive Plan (LTIP) amounting to USD 500,000 for a period from 2013 to 2015, based on the performance of the Company.

B. Revised Remuneration of Mr. Ranjit Mathur, Director Finance:

- 1. Basic Salary:** Rs.5,995,000/- per annum, payable monthly.
- 2. Variable Pay:** Rs.3,270,000/- per annum, which can be increased by an equal amount, based on the performance of the Company.
- 3. Perquisites & Allowances:** This will include house rent allowance, children's education, employer's contribution to NPS, insurance & medical expenses, cost of Company provided car, maintenance, driver, etc. and leave travel allowance, as per Rules of the Company and in accordance with the applicable provisions of the Companies Act, 1956, the Companies Act, 2013 (to the extent applicable), the Income Tax Act, 1961 and the Rules framed under these Acts.
- 4. Club Membership:** As per Rules of the Company.
- 5. Retirement Benefits:** As per Rules of the Company.

The revised remuneration of Mr. Rajeev Gopalakrishnan and Mr. Ranjit Mathur, as aforesaid, falls within the overall limits approved by the Members of the Company by way of a Special Resolution passed at the 76th Annual General Meeting of the Company held on May 26, 2009 and also within the maximum permissible limits specified under Sections 198, 269, 309, 310 and 311 and all other applicable provisions of the Companies Act, 1956 and Rules framed thereunder.

The Company will be entering into separate Supplementary Agreement with Mr. Rajeev Gopalakrishnan, Managing Director and Mr. Ranjit Mathur, Director Finance, incorporating therein, *inter alia*, the above revised remuneration with effect from January 01, 2014. Draft of the Supplementary Agreements to be entered into between Mr. Rajeev Gopalakrishnan, Managing Director and the Company and between Mr. Ranjit Mathur, Director Finance and the Company, are available for inspection at the Registered Office of the Company and at the Company's Office at 27B, Camac Street, 1st Floor, Kolkata - 700 016 on any working day between 10:00 a.m. and 12:30 p.m., except holidays observed by the Company.

Memorandum of Interest

No other Directors except Mr. Rajeev Gopalakrishnan, Managing Director and Mr. Ranjit Mathur, Director Finance may be deemed to be concerned or interested in the respective Board Resolutions approving the aforesaid revised remuneration.

By Order of the Board

Kolkata,
February 28, 2014

MALLOY KUMAR GUPTA
Company Secretary