

# BATA INDIA LIMITED

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

To  
The Members,

## Re: Disclosure to Members of the Company under Section 302 of the Companies Act, 1956

### Increase in remuneration of Mr. Rajeev Gopalakrishnan, Managing Director and Mr. Ranjit Mathur, Director Finance

Mr. Rajeev Gopalakrishnan was appointed as the Managing Director – Bata Stores, Bata India Limited with effect from February 23, 2011 for a period of five years and has been subsequently re-designated as the Managing Director of the Company with effect from October 01, 2011. The appointment and payment of remuneration to Mr. Rajeev Gopalakrishnan had been approved by the Members of the Company at the 78<sup>th</sup> Annual General Meeting held on June 28, 2011.

Mr. Ranjit Mathur was appointed as the Director Finance of Bata India Limited with effect from February 29, 2012 for a period of five years. The appointment and payment of remuneration to Mr. Ranjit Mathur had been approved by the Members of the Company at the 79<sup>th</sup> Annual General Meeting held on May 30, 2012.

The Nomination, Governance & Compensation Committee of the Board of Directors of the Company at its meeting held on February 26, 2013 recommended increased remuneration as detailed below for Mr. Rajeev Gopalakrishnan, Managing Director and Mr. Ranjit Mathur, Director Finance, with effect from January 01, 2013.

#### **Increased Remuneration of Mr. Rajeev Gopalakrishnan**

Sl. No.	PARTICULARS	PER ANNUM (in Rs.)
	<b><u>SALARY &amp; INCENTIVES</u></b>	
1.	Fixed Income	14,020,000
2.	Variable Pay	7,010,000
<b>A</b>	<b>Sub Total</b>	<b>21,030,000</b>
	<b><u>ALLOWANCES</u></b>	
1.	Annual Cost of Company House	1,932,000
2.	Annual Cost of Utilities & Services	180,000
3.	Annual Cost of Company Car & Driver's Salary	678,000
4.	Club Membership	27,000
5.	Children Education	1,400,000
<b>B</b>	<b>Sub Total</b>	<b>4,217,000</b>
	<b><u>REIMBURSEMENT</u></b>	
1.	Reimbursement of Maid Servants' wages	180,000
2.	Reimbursement of Medical Expenses & Insurance Coverage	At Actuals
	<b>Total (A + B + C)</b>	<b>25,427,000</b>

#### **Notes**

- In addition to the above Mr. Rajeev Gopalakrishnan shall be entitled to a Long Term Incentive Plan (LTIP) amounting to USD 500,000 for a period from 2013 to 2015 based on the performance of the Company.
- The above remuneration does not include retiral benefits which will be paid to Mr. Rajeev Gopalakrishnan as per the Rules of the Company.
- The Variable Pay of Mr. Rajeev Gopalakrishnan as mentioned above is at 50% of his basic salary which can be further increased up to 100% of his basic salary based on the performance of the Company.

#### **Increased Remuneration of Mr. Ranjit Mathur**

Sl. No.	PARTICULARS	PER ANNUM (in Rs.)
	<b><u>FIXED INCOME</u></b>	
1.	Basic Pay	5,500,000
2.	House Rent Allowance	1,600,000
3.	Special Allowance	550,000
4.	Education Allowance	24,000
<b>A</b>	<b>Sub Total</b>	<b>7,674,000</b>
	<b><u>OTHER BENEFITS</u></b>	
1.	Variable Pay	3,000,000
2.	Leave Travel Allowance	150,000
3.	Club Membership	25,000
4.	Medical & Personal Accident	45,000
<b>B</b>	<b>Sub Total</b>	<b>3,220,000</b>
	<b>Total (A + B)</b>	<b>10,894,000</b>

#### **Notes**

- The above remuneration does not include retiral benefits which will be paid to Mr. Ranjit Mathur as per the Rules of the Company.
- The Variable pay of Mr. Ranjit Mathur as mentioned above can be further increased by 100% based on the performances of the Company.
- In addition, Mr. Ranjit Mathur shall be entitled to actual expenses incurred on Company car, driver and maintenance subject to a maximum of Rs.10.20 lac per annum.

The Board of Directors of the Company at its meeting held on the same day, i.e., on February 26, 2013 accepted the recommendation of the Nomination, Governance & Compensation Committee and approved the aforesaid increased remuneration of Mr. Rajeev Gopalakrishnan, Managing Director and Mr. Ranjit Mathur, Director Finance, with effect from January 01, 2013.

The increased 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 76<sup>th</sup> 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 increased remuneration with effect from January 01, 2013. 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 Company's office at 27B, Camac Street, 1<sup>st</sup> 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 for payment of increased remuneration to them.

By Order of the Board