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Website: www.bajajhindusthan.com

To
The Members of
BAJAJ HINDUSTHAN LIMITED

Dear Sir/Madam,

Disclosures under Section 302 of the Companies Act, 1956

A. Appointment of Mr. Manoj Maheshwari as Whole-time Director

Mr. Manoj Maheshwari has experience of more than 25 years in strategy formulation, corporate finance & planning, mergers & acquisitions, financial management, business process re-engineering, commercial & legal negotiations and secretarial functions. He is holding a B.Com (H) degree and is a Chartered Accountant and a Company Secretary. Prior to joining the Group, he has worked in Hindalco Industries Ltd., Birla Corporation Ltd., Hindusthan National Glass & Industries Ltd. and Srei Infrastructure Finance Ltd. He was appointed Chief Finance Officer of the Company on September, 2007. He is also Director on the board of Lalitpur Power Generation Company Ltd. and Bajaj Power Generation Private Ltd. since December 10, 2010 and December 15, 2010 respectively.

The Board of Directors of the Company, vide its resolution passed at its meeting held on August 14, 2012, has appointed Mr. Manoj Maheshwari as Whole-time Director with designation as Director & Group CFO of the Company for a period of 5 (five) years with effect from October 01, 2012 on the terms and remuneration mentioned hereunder, subject to the approval by members of the Company. The Remuneration Committee of Directors of the Company vide a resolution passed at its meeting held on August 14, 2012 approved the remuneration of Mr. Manoj Maheshwari as Whole-time Director of the Company.

In compliance with the requirements of Section 302(7) of the Companies Act, 1956 an abstract of the remuneration payable to Mr. Manoj Maheshwari, as Whole-time Director and other terms of appointment as contained in the aforesaid Board Resolution is set out below:-

ABSTRACT

I. Remuneration:

a) Salary:

Rs. 6,31,111 per month in the scale of Rs. 6,00,000 – 12,00,000. The Board of Directors of the Company may decide such accelerated increments as may be deemed appropriate at its absolute discretion.

b) Perquisites and allowances:

i) House rent Allowance

House Rent Allowance at the rate of 20% of basic salary.

ii) Special Allowance

Special Allowance as per the rules of the Company, presently Rs.8,38,715 per month.

iii) Leave Travel Allowance

Leave Travel Allowance in respect of himself and family not exceeding one month's salary per annum as per the rules of the Company.

iv) Other Allowances

Allowances for Food Coupons, Children Education, etc. as per the rules of the Company.

v) Medical Reimbursement

Reimbursement of actual medical expenses incurred as per the rules of the Company.

vi) Other Perquisites

Subject to overall ceiling on remuneration mentioned hereinbelow the Whole-time Director may be given other allowances, benefits and perquisites as the Board of Directors may decide from time to time.

Explanation:

Perquisites shall be evaluated as per Income-tax Rules, wherever applicable and in absence of any such rule, perquisites shall be evaluated at actual cost.

c) Performance Linked Incentive:

Performance Linked incentive to the achievement of targets as per the rules of the Company subject to a maximum of 2 month's basic salary per annum.

d) Others including Retirals:

i) Contribution to Provident Fund

Company's contribution to provident Fund to the extent the same is not taxable under the Income-tax Act, 1961.

- ii) **Gratuity**
Gratuity payable to the extent permitted under the Payment of Gratuity Act, 1972.
- iii) **Leave**
Leave with full pay or encashment thereof as per the Rules of the Company.
- iv) **Conveyance**
Reimbursement of driver's salary, fuel expenses, car repairs and maintenance and car insurance renewal as per the rules of the Company.
- v) **Communication**
Reimbursement of residential telephone expenses upto Rs 1,500 per month.
- vi) **Other Facilities**
Reimbursement of uniform expenses and books and periodicals expenses as per the rules of the Company.

II. Overall remuneration:

The aggregate of salary and perquisites in any financial year shall not exceed the limits prescribed from time to time under Sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said Act as may for the time being, be in force.

III. Minimum remuneration:

In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of Director & Group CFO, the payment of salary, allowances, perquisites and other allowances shall be governed by the limits prescribed under Section II of the Part II of Schedule XIII to the Companies Act, 1956 as may for the time being, be in force.

IV. Other Terms and Conditions:

Other terms and conditions of appointment of Mr. Manoj Maheshwari, the Whole-time Director are as under:

- a. The Whole-time Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.
- b. The Whole-time Director shall not, so long as he functions as such, become interested or otherwise concerned directly or through his wife and/or minor children in any selling agency of the Company in future without prior approval of the Central Government.
- c. Mr. Manoj Maheshwari is appointed as Whole-time Director by virtue of his employment in this Company and his appointment is subject to the provision of 283(1)(l) of the Companies Act, 1956.
- d. If at any time Mr. Manoj Maheshwari ceases to be the Whole-time Director of the Company for any cause whatsoever, he shall cease to be the Director of the Company.
- e. One month notice or salary in lieu thereof from either side shall be applicable within one month from the date of close of crushing operation of season. After expiry of this period, two months notice or salary in lieu thereof from either side will be required.

B. Appointment of Mr. Ashok Kumar Gupta as Whole-time Director

Mr. Ashok Kumar Gupta has experience of more than 41 years in Sugar Industry. After completing his M.Com from Agra University, he had started his service career from Dhampur Sugar Mills, Dhampur, Dist: Bijnor in 1970 and thereafter joined Upper Doab Sugar Mills, Shamli, Dist: Muzaffar Nagar (a Unit of Shadilal Enterprises) in August, 1978. Thereafter, he had joined in Bajaj Hindusthan Limited, Golagokarannath, Lakhimpur Kheri on 31st May, 1982 and since then continuing with BHL. During his long tenure with BHL, he had worked in different senior posts in different departments and presently working as Senior President (Group Operations), Sugar & Distillery Divisions. He is a patron Member of The Sugar Technologists' Association of India (Membership No. 4551). He has been awarded with "GEM OF INDIA AWARD" on 30th June, 2011 by Council for National Development, New Delhi on its 58th National Convention of National Building through Individual Achievements.

The Board of Directors of the Company, vide its resolution passed at its meeting held on August 14, 2012, has appointed Mr. Ashok Kumar Gupta as Whole-time Director with designation as Director (Group Operations) of the Company for a period of 5 (five) years with effect from October 01, 2012 on the terms and remuneration mentioned hereunder, subject to the approval by members of the Company. The Remuneration Committee of Directors of the Company vide a resolution passed at its meeting held on August 14, 2012 approved the remuneration of Mr. Ashok Kumar Gupta as Whole-time Director of the Company.

In compliance with the requirements of Section 302(7) of the Companies Act, 1956 an abstract of the remuneration payable to Mr. Ashok Kumar Gupta, as Whole-time Director and other terms of appointment as contained in the aforesaid Board Resolution is set out below:-

ABSTRACT

I. Remuneration:

- a) **Salary:**
Rs. 1,80,509 per month in the scale of Rs. 1,50,000 – 6,00,000. The Board of Directors of the Company may decide such accelerated increments as may be deemed appropriate at its absolute discretion.
- b) **Perquisites and allowances:**
 - i) **House rent Allowance**
House Rent Allowance at the rate of 20% of basic salary.
 - ii) **Special Allowance**
Special Allowance as per the rules of the Company, presently Rs. 79,407 per month.
 - iii) **Leave Travel Allowance**
Leave Travel Allowance in respect of himself and family not exceeding one month's salary per annum as per the rules of the Company.

iv) Other Allowances

Allowances for Food Coupons, Children Education, etc. as per the rules of the Company.

v) Medical Reimbursement

Reimbursement of actual medical expenses incurred as per the rules of the Company.

vi) Other Perquisites

Subject to overall ceiling on remuneration mentioned hereinbelow the Whole-time Director may be given other allowances, benefits and perquisites as the Board of Directors may decide from time to time.

Explanation:

Perquisites shall be evaluated as per Income-tax Rules, wherever applicable and in absence of any such rule, perquisites shall be evaluated at actual cost.

c) Performance Linked Incentive:

Performance Linked incentive to the achievement of targets as per the rules of the Company subject to a maximum of 2 month's basic salary per annum.

d) Others including Retirals:

i) Contribution to Provident Fund

Company's contribution to provident Fund to the extent the same is not taxable under the Income-tax Act, 1961.

ii) Superannuation

Superannuation at the rate of 15% of the basic salary.

iii) Gratuity

Gratuity payable to the extent permitted under the Payment of Gratuity Act, 1972.

iv) Leave

Leave with full pay or encashment thereof as per the Rules of the Company.

v) Conveyance

Company provided car and Reimbursement of driver's salary, fuel expenses, car repairs and maintenance and car insurance renewal as per the rules of the Company.

vi) Communication

Reimbursement of residential telephone expenses as per the rules of the Company.

vii) Other Facilities

Reimbursement of uniform expenses and books and periodicals expenses as per the rules of the Company.

II. Overall remuneration:

The aggregate of salary and perquisites in any financial year shall not exceed the limits prescribed from time to time under Sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said Act as may for the time being, be in force.

III. Minimum remuneration:

In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of Director (Group Operations), the payment of salary, allowances, perquisites and other allowances shall be governed by the limits prescribed under Section II of the Part II of Schedule XIII to the Companies Act, 1956 as may for the time being, be in force.

IV. Other Terms and Conditions:

Other terms and conditions of appointment of Mr. Ashok Kumar Gupta, the Whole-time Director are as under:

- a. The Whole-time Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.
- b. The Whole-time Director shall not, so long as he functions as such, become interested or otherwise concerned directly or through his wife and/or minor children in any selling agency of the Company in future without prior approval of the Central Government.
- c. Mr. Ashok Kumar Gupta is appointed as Whole-time Director by virtue of his employment in this Company and his appointment is subject to the provision of 283(1)(l) of the Companies Act, 1956.
- d. If at any time Mr. Ashok Kumar Gupta ceases to be the Whole-time Director of the Company for any cause whatsoever, he shall cease to be the Director of the Company.
- e. One month notice or salary in lieu thereof from either side shall be applicable within one month from the date of close of crushing operation of season. After expiry of this period, two months notice or salary in lieu thereof from either side will be required.

MEMORANDUM OF CONCERN OR INTEREST OF DIRECTORS

Mr. Manoj Maheshwari and Mr. Ashok Kumar Gupta to be appointed as Whole-time Directors of the Company with effect from 1-10-2012 are interested in their respective appointment and remuneration.

Save as aforesaid, none of the other Directors is, in any way, concerned or interested in this appointment and remuneration.

A copy each of the resolutions passed by the Remuneration Committee and by the Board of Directors at their meeting both held on August 14, 2012, referred to above, 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

Pradeep Parakh

Dated: 22.08.2012

Group President (GRC) & Company Secretary

BOOK – POST

If undelivered, please return to:

BAJAJ HINDUSTHAN LIMITED

Bajaj Bhawan, 2nd Floor, Jammalal Bajaj Marg,
226, Nariman Point, Mumbai 400 021.