



GODAWARI POWER AND ISPAT LIMITED

Registered Office: Plot No. 428/2, Phase I, Industrial Area, Siltara Distt: Raipur (C.G.) – 493111
www.gpilindia.com

ABSTRACT AND MEMORANDUM OF INTEREST TO THE PURSUANT PROVISIONS OF SECTION 302 OF THE COMPANIES ACT, 1956

To
The Members,
GODAWARI POWER AND ISPAT LIMITED

The Board of Directors (“the Board”) of the Company in its meeting held on 09th November, 2011 approved the appointment of Mr. Abhishek Agrawal, as Whole Time Director of the Company on remuneration as recommended by the Remuneration Committee.

As required under Section 302 of the Companies Act, 1956 (“the Act”), an abstract of the terms of appointment of Whole Time Director together with the Memorandum of Concern or Interest is given hereunder;

MR. ABHISHEK AGRAWAL, WHOLE TIME DIRECTOR

The Board at their meeting held on 09th November, 2011 approved the proposal for appointment of Mr. Abhishek Agrawal as an Additional Director and subsequently appointed as Whole-Time Director of the Company with effect from 09th November, 2011 for a period of 5 years.

The Board also fixed the scale of remuneration payable to him with effect from 09th November, 2011. The appointment and the scale of remuneration is subject to the approval of the Members.

Mr. Abhishek Agrawal, 27 years, is the son of Mr. B.L. Agrawal, Managing Director of the Company. He is Bachelor of Engineering (Electronics) from Bharti Vidyapeeth, Pune (M.H.). He got Masters Degree in International Business from Leeds University, U.K. He is associated with the Company and looking after the project implementation, procurement of raw material, plant maintenance, production activities and marketing of finished goods of the Company. He was appointed as the Chief Executive Officer of the Company with effect from 25th October, 2008 and re-designated as Chief Executive (Operations) with effect from 22nd May, 2011.

The Board of Directors at their meeting held on 09th November, 2011, fixed the remuneration payable to Mr. Abhishek Agrawal as per the abstracts of terms given hereunder.

ABSTRACT OF TERMS:

The details of the remuneration payable to Mr. Abhishek Agrawal as Whole Time Director are as under:

Salary: Salary in the scale of Rs. (2,25,000 -50,000-4,50,000) with effect from 09th November, 2011 upto the date of cessation of Mr. Abhishek Agrawal as Whole Time Director of the Company, i.e. upto 08th November, 2016.

Commission: Payment of Commission of sum not exceeding 1% of the net profit of the Company calculated in the manner specified in Section 198 of the Companies Act, 1956.

Bonus: Bonus up to maximum of 20% salary, payable annually or at other interval as may be decided by the Board.

Company performance linked incentive: Company performance linked payable quarterly or at other interval as may be decided by the Board.

Individual’s performance linked incentive: Individual performance linked incentive, up to maximum of 60% of the fixed gross salary, payable quarterly or at other interval as may be decided by the Board.

PERQUISITES:

1. **Housing:** Furnished/unfurnished residential accommodation or house rent allowance up to 50% of salary in lieu thereof. The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per Income Tax Rules, 1962.
2. Reimbursement of actual medical expenses incurred in India and/or abroad and including hospitalization, nursing home and surgical charges for himself and family;
3. Reimbursement of all the expenses (like travel fare, lodging, boarding, conveyance and other expenses) incurred for self and family during the leave travel holiday periods, whenever undertaken, whether in India or abroad.
4. Subscription or reimbursement or membership fee for clubs in India or abroad including admission and life membership fees.
5. The Company shall provide suitable conveyance facilities as may be required.
6. **Insurance:** as per the rules of the Company.

OTHER BENEFITS:

7. **Earned / Privilege leave:** As per the rules of the Company.
8. **Company’s contribution to provident fund and super-annuation fund:** As per the rules of the Company
9. **Gratuity:** As per the rules of the Company.
10. **Encashment of leave:** As per rules of the company.
11. **Company car and telephone:** Use of the Company’s car and telephone at residence for official purpose, as per the rules of the Company.

The aggregate remuneration inclusive of salary, bonus, incentive, perquisites and other benefits payable shall always be subject to the overall ceilings laid down in Sections 198 and 309 and other applicable provision of the Companies Act, 1956.

MINIMUM REMUNERATION

Where in any financial year, the Company incurs a loss or its profits are inadequate, the Company shall pay the above remuneration by way of salary, commission, incentives, bonus, perquisites and other allowance as a minimum remuneration subject to the limits specified under Section II of Part II of Schedule XIII to the Companies Act, 1956 (including any statutory modifications or re-enactments thereof, for the time being in force) or such other limits as may be prescribed by the Government from time to time as minimum remuneration.

MEMORANDUM OF CONCERN OR INTEREST:

None of the Directors except Mr. Abhishek Agrawal himself, Mr. Bajrang Lal Agrawal being relative of Mr. Abhishek Agrawal may be considered as concerned or interested in the above resolution.

For Godawari Power and Ispat Limited

Place: Raipur
Date: 16th November, 2011

Sd/-
Y.C. Rao
Company Secretary