



GODREJ PROPERTIES LIMITED

Registered Office: Godrej Bhavan, 4th Floor, 4A, Home Street, Fort, Mumbai – 400 001

TO THE MEMBERS

ABSTRACT OF TERMS OF APPOINTMENT OF MR. PIROJSHA GODREJ AS MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER AND MR. V. SRINIVASAN AS EXECUTIVE DIRECTOR, ISSUED TO THE MEMBERS OF THE COMPANY PURSUANT TO SECTION 302 OF THE COMPANIES ACT, 1956.

A. Appointment of Mr. Pirojsha Godrej as the Managing Director & Chief Executive Officer of the Company:

The Board of Directors of the Company, by its circular resolution, had approved the terms & conditions of appointment of Mr. Pirojsha Godrej as the Managing Director & Chief Executive Officer of the Company with effect from April 1, 2012, subject to approval of the shareholders of the Company. Mr. Pirojsha Godrej was the Executive Director of the Company from November 1, 2008 to March 31, 2012.

He holds a Bachelor's degree in economics from the Wharton School at the University of Pennsylvania, a Master's degree in international affairs from Columbia University's School of International and Public Affairs, U.S.A and a Master's degree in business administration from Columbia Business School, U.S.A. He serves on the board of Godrej Realty Private Limited, Godrej Waterside Properties Private Limited, Godrej Developers Private Limited, Godrej Buildwell Private Limited, Godrej Projects Development Private Limited and Godrej Landmark Redevelopers Private Limited.

In compliance with the requirements of Section 302 of the Companies Act, 1956 (the "Act"), an abstract of the terms & conditions of appointment of Mr. Pirojsha Godrej as the Managing Director & Chief Executive Officer of the Company together with the memorandum of interest is set out below:

- 1. Period of Appointment:** 3(three) years with effect from April 1, 2012.
- 2. Nature of Duties:** Mr. Pirojsha Godrej shall carry out such duties as may be entrusted to him subject to the supervision and control of the Board from time to time.
- 3. Remuneration:**
- I. Fixed Compensation:**

Fixed compensation shall include basic salary and the Company's contribution to the Provident Fund and the Gratuity Fund.

The basic salary is Rs.400,000 per month. The annual basic salary and increments will be decided by the Remuneration Committee/ the Board of Directors depending on the performance of MD & CEO, the profitability of the Company and other relevant factors.

II. Performance Bonus For Teams:

Performance Bonus For Teams (PBFT) according to the Scheme of the Company for each of the financial years based on profit after tax (excluding minority interests and post PBFT) achieved by the Company and other relevant factors and having regard to the performance of MD & CEO for each year.

The individual target component of performance bonus is Rs.3,50,000 and the collective target component is Rs. 27,00,000.

III. Flexible Compensation:

In addition to the fixed compensation and the performance bonus, Mr. Pirojsha Godrej will be entitled to

the following allowances, perquisites, benefits, facilities and amenities as per the rules of the Company and subject to the relevant provisions of the Companies Act, 1956, as amended (collectively called “perquisites and allowances”).

These perquisites and allowances shall be granted to Mr. Pirojsha Godrej as per the rules of the Company and in the manner as the Remuneration Committee/Board may decide.

- i. Housing i.e. unfurnished residential leased accommodation (including maintenance) or house rent allowance as per the Company’s rules;
- ii. Supplementary allowance;
- iii. Leave travel assistance;
- iv. Payment/reimbursement of medical expenses for self and family;
- v. Payment/reimbursement of food vouchers;
- vi. Housing loan, contingency loan as per the rules of the Company. These loans shall be subject to Central Government approval, if any;
- vii. Earned/privilege leave, on full pay and allowance, not exceeding 30 days in a financial year. Encashment/accumulation of leave will be permissible in accordance with the rules specified by the Company. Sick leave as per the rules of the Company;
- viii. Such other perquisites and allowances as per the policy/rules of the Company in force and/or as may be approved by the Remuneration Committee/ the Board from time to time.

The maximum cost to the Company per annum for the grant of the perquisites and allowances listed above for Mr. Pirojsha as MD & CEO is Rs. 14,700,000/-. In addition to the above, Mr. Pirojsha is entitled to furnishing at residence, provision of telephone at residence, electricity expenses for the leased accommodation, payment/reimbursement of telephone expenses, company cars with driver for official use, petrol reimbursement, encashment of leave, club facilities, group insurance cover, group hospitalization cover, and/ or any other allowances, perquisites and facilities as per the rules of the Company.

Explanation:

- i) For the leave travel assistance and reimbursement of medical and hospitalisation expenses, ‘family’ means the spouse, dependent children and dependent parents.
- ii) Perquisites shall be evaluated at actual cost or if the cost is not ascertainable the same shall be valued as per Income Tax Rules.

IV. Other Reimbursements:

Mr. Pirojsha Godrej will also be entitled for the reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the Company’s business and such other benefits/amenities and other privileges, as in force from time to time.

V. Minimum Remuneration:

Where in any financial year, during the currency of tenure of Mr. Pirojsha Godrej as MD & CEO, the Company has no profits or its profits are inadequate, Mr. Pirojsha Godrej shall be entitled to remuneration by way of salary, allowances and perquisites not exceeding the limits specified in Schedule XIII of the Companies Act, 1956, as amended.

MEMORANDUM OF CONCERN OR INTEREST

No director of the Company except, Mr. Adi B. Godrej, Mrs. Parmeshwar A. Godrej, Mr. Nadir B. Godrej, and Mr. Pirojsha Godrej are concerned or interested in the above appointment.

B. Appointment of Mr. V. Srinivasan as Executive Director of the Company:

The Board of Directors of the Company, by its circular resolution, had approved the terms & conditions of appointment of Mr. V. Srinivasan as the Executive Director of the Company with effect from April 1, 2012, subject to approval of the shareholders of the Company.

Mr. V. Srinivasan is a qualified Chartered Accountant and Company Secretary. He has been associated with the Godrej group since 1989, and has headed Finance, Company Secretarial and Information Systems functions at various Godrej group companies.

In compliance with the requirements of Section 302 of the Act, an abstract of the terms & conditions of appointment of Mr. V. Srinivasan as the Executive Director of the Company together with the memorandum of interest is set out below:

- 1. Period of Appointment:** 3(three) years with effect from April 1, 2012.
- 2. Nature of Duties:** Mr. V. Srinivasan shall carry out such duties as may be entrusted to him subject to the supervision and control of the Board from time to time.

3. Remuneration:

I. Fixed Compensation:

Fixed Compensation shall include basic salary and the Company's contribution to the Provident Fund and the Gratuity Fund.

The basic salary is Rs. 285,000 per month. The annual basic salary and increments will be decided by the Remuneration Committee/ the Board of Directors depending on the performance of Mr. V. Srinivasan, the profitability of the Company and other relevant factors.

II. Performance Bonus For Teams:

Performance Bonus For Teams (PBFT) according to the Scheme of the Company for each of the financial years based on profit after tax (excluding minority interests and post PBFT) achieved by the Company and other relevant factors and having regard to the performance of the Executive Director for each year.

The collective target component is Rs. 2,000,000.

III. Flexible Compensation:

In addition to the fixed compensation and the performance bonus, Mr. V. Srinivasan will be entitled to the following allowances, perquisites, benefits, facilities and amenities as per rules of the Company and subject to the relevant provisions of the Companies Act, 1956, as amended (collectively called "perquisites and allowances").

These perquisites and allowances shall be granted to Mr. V. Srinivasan as per the rules of the Company and in the manner as the Remuneration Committee/Board may decide.

- i. House rent allowance as per Company's rules;
- ii. Supplementary allowance;
- iii. Leave travel assistance;
- iv. Payment/reimbursement of medical expenses for self and family;
- v. Payment/reimbursement of food vouchers, petrol reimbursement;
- vi. Company cars with driver for official use, provision of telephone(s) at residence;
- vii. Payment/reimbursement of telephone expenses;

- viii. Housing loan, contingency loan as per rules of the Company. These loans shall be subject to Central Government approval, if any;
- ix. Earned/privilege leave, on full pay and allowance, not exceeding 30 days in a financial year. Encashment/accumulation of leave will be permissible in accordance with the rules specified by the Company. Sick leave as per the rules of the Company;
- x. Such other perquisites and allowances as per the policy/ rules of the Company in force and/or as may be approved by the Remuneration Committee/Board from time to time.

The maximum cost to the Company per annum for the grant of the perquisites and allowances listed above for Mr. V. Srinivasan as Executive Director is Rs. 6,005,100. In addition to the above, Mr. V. Srinivasan will be eligible for encashment of leave, club facilities, group insurance cover, group hospitalization cover, and/ or any other allowances, perquisites and facilities as per the rules of the Company. Further Mr. V. Srinivasan will also be entitled to the stock options/ stock grants as per prevailing schemes of the Company.

Explanation:

- i) For the leave travel assistance and reimbursement of medical and hospitalisation expenses, 'family' means the spouse, dependent children and dependent parents.
- ii) Perquisites shall be evaluated at actual cost or if the cost is not ascertainable the same shall be valued as per Income Tax Rules.

IV. Other Reimbursements:

Mr. V. Srinivasan will also be entitled for the reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/ amenities and other privileges, as in force from time to time.

V. Minimum Remuneration:

Where in any financial year, during the currency of tenure of Mr. V. Srinivasan as Executive Director, the Company has no profits or its profits are inadequate, Mr. V. Srinivasan shall be entitled to remuneration by way of salary, allowances and perquisites not exceeding the limits specified in Schedule XIII of the Companies Act, 1956, as amended.

MEMORANDUM OF CONCERN OR INTEREST

No director of the Company except, Mr. V. Srinivasan is concerned or interested in the above appointment.

By Order of the Board
For **Godrej Properties Limited**

Place: Mumbai
Dated: April 20, 2012

Sd/-
Shodhan A. Kembhavi
Company Secretary