



OBEROI REALTY LIMITED

Regd. Office: Commerz, 3rd Floor, International Business Park, Oberoi Garden City,
Off Western Express Highway, Goregaon (East), Mumbai- 400 063

NOTICE

NOTICE is hereby given that the Thirteenth Annual General Meeting of the members of **OBEROI REALTY LIMITED** will be held on Thursday, June 30, 2011 at Rama Watumull Auditorium, K. C. College, Dinshaw Wacha Road, Churchgate, Mumbai - 400 020 at 2.00 p.m. to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Profit and Loss Account for the year ended March 31, 2011, the Balance Sheet as on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To approve payment of dividend on Preference Shares.
3. To declare dividend on Equity Shares.
4. To appoint a Director in place of Mr. Jimmy Bilimoria, who retires by rotation and being eligible, had offered himself for reappointment.
5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT the retiring Auditors, M/s P. Raj & Co., Chartered Accountants (Firm's Registration No. 108310W), being eligible for re-appointment, be and are hereby appointed as the Statutory Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on such remuneration, in addition to reimbursement of out of pocket expenses incurred in connection thereto, as may be approved by the Board of Directors."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution and / or otherwise considered by them to be in the best interest of the Company."

SPECIAL BUSINESS:

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provision of Section 61 and other applicable provisions, if any, of the Companies Act, 1956 and other applicable rules, regulation, guidelines and other statutory provision for the time being in force, approval of the members of the Company be and is hereby accorded and the Board of Directors (hereinafter called the **'Board'** which term shall be deemed to include any committee authorised to exercise its powers including the powers conferred by this resolution), be and is hereby authorised to vary the terms referred to in the prospectus dated October 13, 2010, filed by the Company with the Registrar of the Companies, Maharashtra, Mumbai (the **'Prospectus'**) including to vary and / or revise the utilisation of the proceeds from the Initial Public Offering (**'IPO'**) of Equity Shares made in pursuance of the said Prospectus and to utilise the proceeds from the IPO including, but not limited to, change in allocation intended for construction of ongoing projects, towards acquisition of land or land development rights and / or general corporate purposes, change in amount or schedule of deployment for the projects identified in the Prospectus, as the case may be."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things, deal with such matters, take necessary steps in the matter as the Board may in its absolute discretion deem necessary, desirable or expedient and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any committee of directors or any other officer(s) / authorised representative(s) of the Company to give effect to the aforesaid resolution."

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force) (hereinafter referred to as the **'Act'**), Articles of Association of the Company, provisions of the SEBI (Employee Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999, as amended (the **'Guidelines'**), the special resolution passed at the Extraordinary General Meeting held on December 4, 2009, including amendments thereto, and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the **'Board'** which expression shall be deemed to include any committee/s thereof), the consent of the members of the Company be and is hereby accorded to the Board to reserve, create, offer, issue and allot at any time to or for the benefit of Directors (other than the Promoter) and / or of such person(s) who are in permanent employment of the Company (collectively referred to as the **'Employees'**), of the Company's subsidiary companies (if any), and of the Company's holding company (if any) (collectively referred to as the **'Group'**), under a scheme already in existence and having title as

'ESOP 2009' (the '**Plan**') such number of equity linked instruments (including options) (hereinafter collectively referred to as the '**Securities**') of the Company which together with Securities already granted under the Plan and which have not been lapsed / cancelled, as the case may be, could give rise to the issue of Equity Shares not exceeding 1,443,356 in number, at such price, in one or more tranches and on such terms and conditions of the Plan, as may be fixed or determined by the Board in accordance with the Guidelines or other provisions of the law as may be prevailing at that time and ESOP 2009 of the Company, is and are hereby ratified, approved and adopted."

"RESOLVED FURTHER THAT the Securities may be allotted directly to such employees in accordance with a scheme framed in this behalf."

"RESOLVED FURTHER THAT as required, the Company shall conform to the accounting policies as contained in the Guidelines."

"RESOLVED FURTHER THAT the Board (which expression shall be deemed to include a Compensation Committee duly constituted in accordance with the Guidelines), subject to the Guidelines and the Plan, shall be authorised to evolve, decide upon and bring into effect the Plan, quantum of the options to be granted per employee, the exercise period, the vesting period, instances where such options shall lapse and to grant such number of options, to such Employees of the Group, at par or at such other price, at such time and on such terms and conditions as set out in the Plan and as the Compensation Committee may in its absolute discretion think fit and make any modifications, changes, variations, alterations or revisions in the Plan, provided the same are not detrimental to the interest of the Employees, from time to time or to suspend, withdraw or revive the Plan from time to time as may be specified by any statutory authority and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose on behalf of the Company and to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company."

"RESOLVED FURTHER THAT the Board acting through itself or a committee thereof, be authorised to issue and allot such number of Equity Shares of the Company, to such employees of the Group, upon the conversion of the options granted under such Plan, at such price and on such terms and conditions as set out in the Plan and as determined by the Compensation Committee and to take necessary steps for listing of such Equity Shares on the Stock Exchanges where the Equity Shares of the Company are listed as per the provisions of the Listing Agreements with the concerned Stock Exchanges and other applicable guidelines, rules and regulations."

"RESOLVED FURTHER THAT the new Equity Shares to be issued and allotted by the Company in the manner aforesaid shall rank *pari passu* in all respects with the then existing Equity Shares of the Company."

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force) (hereinafter referred to as the '**Act**'), Articles of Association of the Company, provisions of the SEBI (Employee Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999, as amended (the '**Guidelines**') and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the '**Board**' which expression shall be deemed to include any committee/s thereof), the consent of the members of the Company be and is hereby accorded to the Board to extend the benefits of Employee Stock Option Scheme titled as 'ESOP 2009' (herein after referred to as '**Plan**' / '**ESOP 2009**'), to the eligible Employees / Directors of the subsidiary companies and / or holding company (if any), as may from time to time, be allowed under prevailing laws, rules and regulations, and / or amendments thereto from time to time, on such terms and conditions as may be decided by the Board."

"RESOLVED FURTHER THAT the new Equity Shares to be issued and allotted by the Company in the manner aforesaid shall rank *pari passu* in all respects with the then existing Equity Shares of the Company."

"RESOLVED FURTHER THAT for the purpose of giving effect to any creation, offer, issue, allotment or listing of securities, subject to the Guidelines and the Plan, the Board be and is hereby authorised on behalf of the Company to evolve, decide upon and bring in to effect the Plan and make any modifications, changes, variations, alterations or revisions to the Plan from time to time, provided the same are not detrimental to the interest of the Employees, or to suspend, withdraw or revive the Plan from time to time as may be specified by any statutory authority and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose on behalf of the Company and to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company."

9. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 198, 309, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956, commencing from financial year 2010-11, the Company do make distribution and payment amongst the Directors of the Company (other than the Managing Director(s) and Whole Time Director(s)), on annual basis, of such remuneration by way of commission, not exceeding one percent per annum of the Net Profit of the Company for that particular year computed in the manner prescribed under Sections 198, 349 and 350 of the Companies Act, 1956, in such amount and proportion and in such manner and in all respects as may be determined herein after from time to time by the Board of Directors."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all such steps and do all such things including settling or resolving any doubts as may be required from time to time in connection with the above resolution and matters related thereto."

10. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to Section 163(1) and other applicable provisions, if any, of the Companies Act, 1956, the register of members, index of members, the register and index of debenture holders, if any, and copies of all annual returns prepared under Section 159 and 160 of the Companies Act, 1956, together with copies of certificates and documents required to be annexed

thereto under Sections 160 and 161 of the Companies Act, 1956, be kept at the office of the registrar and transfer agent of the Company as may be appointed from time to time.”

“RESOLVED FURTHER THAT registers, indexes, returns and copies of certificates and documents referred above be kept open for inspection between 3.00 p.m. to 5.00 p.m., on any working day for the registrar and transfer agent during Monday to Friday, except when the registers are closed.”

“RESOLVED FURTHER THAT any one of the Directors or the Company Secretary of the Company be and is hereby jointly and / or severally authorised, as the case may be, to do all such things and take all such actions as may be required from time to time for giving effect to the above resolution and matters related thereto.”

By Order of the Board

Bhaskar Kshirsagar
Company Secretary

Mumbai, May 4, 2011

Registered Office:
Commerz, 3rd Floor
International Business Park
Oberoi Garden City
Off Western Express Highway
Goregaon (East)
Mumbai – 400 063

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF / HERSELF. PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Proxies, if any, in order to be effective, must be received at the Company’s Registered Office not later than 48 (forty-eight hours) before the time fixed for commencement of the meeting.
3. Corporate members who intend to send their authorised representatives to attend and vote at the meeting should send a certified copy of their board resolution to this effect.
4. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, setting out all material facts and the statement of particulars of Director seeking reappointment, as required under clause 49 of the listing agreement is annexed hereto.
5. The Register of Director’s Shareholding maintained under Section 307 of the Companies Act, 1956 will be available for inspection by the Members at the Annual General Meeting.
6. The payment of dividend, as recommended by the Board, if declared at the Annual General Meeting will commence from July 5, 2011 and be completed by July 30, 2011 to those members whose name appears on the Register of Members at the end of the day on June 17, 2011. In respect of shares held in dematerialised form, the dividend will be paid on the basis of beneficial ownership, as per the details to be furnished for the purpose by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
7. The Register of Members and Share Transfer Books of the Company will remain closed from June 18, 2011 to June 30, 2011 (both days inclusive) for the purpose of payment of dividend.
8. Members holding shares in physical form can avail the facility of nomination in accordance with provisions of Section 109A of the Companies Act, 1956 by sending their nomination in the prescribed Form No. 2B which can be obtained from the Company. Members holding shares in dematerialised form can contact the depository participant with whom they maintain their demat account for availing nomination facility. Members holding shares in physical form are requested to lodge / notify all the investor queries / complaints / grievances, transfer deeds with Link Intime India Private Limited, the Registrars and Transfer Agents of the Company or in alternate, with the Company.
9. Members are requested to update their bank mandate / NECS / Direct credit details / name / address / power of attorney and update their Core Banking Solutions enabled account number:
 - *For shares held in physical form:* with the Registrar and Transfer Agent of the Company.
 - *For shares held in dematerialised form:* with the depository participant with whom they maintain their demat account.

Request to members:

1. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries to the Investor Relations Department, so as to reach the Registered Office of the Company at least seven working days before the date of the meeting, to enable the Company to make available the required information at the meeting, to the extent practicable.
2. Members are requested to bring a copy of Annual Report and attendance slip to the meeting.
3. Members who hold shares in the dematerialised form are requested to write their Client ID and DP ID and those who hold shares in the physical form are requested to write their folio number in the attendance slip.

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956:

Item No. 6:

The Members at the Extra-Ordinary General Meeting of the company held on December 4, 2009 had approved the Initial Public Offering ('IPO' / 'Issue') of the Equity Shares. Accordingly, the company had made the IPO through 100% Book building route and raised Rs. 102,861.20 Lakh ('Gross Proceeds') by issuing 39,562,000 Equity Shares of Rs. 10 each of the company for cash, at a price of Rs. 260 per Equity Share (including securities premium of Rs. 250 per Equity Share). The issue related expenses ('Issue Expenses') at the time of filing of Prospectus were estimated to be Rs. 4,656.00 Lakh. However the actual Issue Expenses incurred till March 31, 2011 has been Rs. 4,060.53 Lakh and hence the difference of Rs. 595.47 Lakh is also categorised under the head of General Corporate Purposes ('GCP') for the purpose of utilisation of net Issue proceeds and monitoring thereof.

The net Issue proceeds i.e. Gross Proceeds less Issue Expenses ('NIP') were planned with certain objects ('Identified Objects'), as more particularly stated and described under section titled 'Objects of the Issue' on Page 35 of the Prospectus, as were considered appropriate and necessary by the management at that point of time and as detailed hereunder:-

Sr. No.	Expenditure Items	Amount proposed to be financed from the proceeds of the Issue (Rs. in Lakh)
1.	Construction of our Ongoing projects	74,100.00
2.	Acquisition of land or land development rights	22,500.00
3.	General Corporate Purposes*	1,605.20
	Total	98,205.20

* do not include Rs. 595.47 Lakh representing unutilised balance of Issue Expenses.

The NIP were scheduled to be utilised towards the objects of the issue in the following manner and the same has been stated on page 36 of the Prospectus:

Sr. No.	Particulars	Estimated schedule of deployment of proceeds of the Issue (Rs. in Lakh)				
		Fiscal 2011	Fiscal 2012	Fiscal 2013	Fiscal 2014	Total
1.	Construction of our Ongoing projects	25,660.50	27,029.00	18,441.30	2,969.20	74,100.00
2.	Acquisition of land or land development rights	22,500.00				22,500.00
3.	General Corporate Purposes	1,605.20	-	-	-	1,605.20
	Total	49,765.70	27,029.00	18,441.30	2,969.20	98,205.20

Out of the total NIP, an amount of Rs. 22,455.68 Lakh has been utilised as of March 31, 2011 in accordance with the object set out in the 'Objects of the Issue' section in the Prospectus.

The real estate market generally and more specifically in Mumbai where your Company operates, is impacted by various factors outside our control, including, among others:

- prevailing local economic, income and demographic conditions;
- availability of consumer financing (interest rates and eligibility criteria for loans);
- availability of and demand for properties comparable to those we develop;
- changes in governmental policies relating to zoning and land use;
- changes in applicable regulatory schemes; and
- the cyclical nature of demand for and supply of real estate.

These factors may result in, amongst others, (i) fluctuations in real estate prices, (ii) changes in the availability of land, (iii) rescheduling of the planned / ongoing projects.

While the Company is exploring growth opportunities outside Mumbai, as a part of strategy we continue to focus on large developments in Mumbai. Also, recent land transactions in Mumbai have confirmed that land acquisition in Mumbai continue to require large amounts of capital.

The above factors may call for quick decisions for re-allocation of the deployment of the NIP amongst the Identified Objects / rescheduling of the Identified Objects, deployment in projects outside the Identified Objects.

Considering the above the management needs more flexibility in the use of unutilised portion of the NIP towards general purpose, including but not limited to change in allocation for acquisition of land or land related development rights, change in amount or schedule of deployment for the projects identified in the Prospectus, allocation for projects other than those identified in the Prospectus, acquisition of land and / or rights in immovable properties, funding / additional funding of existing / proposed (i) subsidiaries of the Company; and / or (ii) / joint ventures; and / or (iii) subsidiaries / joint ventures of any of its subsidiaries / joint ventures; or (iv) association of persons / firm(s) / limited liability partnership(s) in which the Company / its subsidiaries / joint ventures are member(s) / partner(s), as the case may be.

While the management would try as far as possible to fund growth opportunities not identified in the Objects of the Issue from such means of finance as are available to the Company and at the discretion of the management, however management would like to have flexibility to use the unutilised portion of NIP.

The management would like to assure the Members that any variation in the utilisation of NIP will be done in the best interest of the Company and its members.

Section 61 of the Companies Act, 1956 provides that the company shall not vary the terms referred to in the Prospectus except subject to the approval of, or except on authority given by, the company in a general meeting. Accordingly, approval of members is sought to confer authority in favor of the Board for utilisation of the unutilised portion of the NIP for purposes other than those stated in the Prospectus.

Your Directors therefore recommend the resolution proposed at Item no. 6 to be passed as special resolution by the members.

None of the Directors is, in any way, concerned or interested in the said resolution.

Item Nos. 7 and 8:

The Company instituted an Employee Stock Option Plan ('ESOP 2009' / 'Plan') on December 4, 2009 pursuant to Board and shareholders resolutions both dated December 4, 2009 with the purpose of attracting, retaining, rewarding and motivating employees to contribute to the growth and profitability of the Company. ESOP 2009 was amended pursuant to the Board and the shareholders resolutions dated May 4, 2010 to the effect that, *inter alia*, in the event of change in the constitution or control of the Company, the vesting of options shall be determined by the Compensation Committee instead of the vesting schedule mentioned hereinunder. Further, the Compensation Committee has been authorised to re-price the options which are not exercised in accordance with the amended Plan and applicable laws provided that it is not detrimental to the employees.

The Directors (other than the Promoter) and / or employees (collectively referred to as the '**Employees**') of the Company and its holding company / subsidiary companies (collectively referred to as the '**Group**') are eligible for being granted options under the ESOP 2009. The specific Employees to whom the options would be granted and their eligibility criteria would be determined by the Compensation Committee.

The maximum aggregate number of Equity Shares in respect of which the options may be granted under the Plan is 1,443,356 Equity Shares. A total of 1,349,553 options were granted to the eligible Employees under Grant 1 of the Plan, of which as on March 31, 2011, 1,220,387 options were outstanding and in force.

The Plan was established at the time when the Equity Shares of the Company were not listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited. Clause 22.2A (1) of the SEBI (Employee Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999, as amended, (the '**Guidelines**') reads as under:

No listed company shall make any fresh grant of options under any ESOS framed prior to its IPO and prior to the listing of its equity shares (hereinafter in this clause referred to as 'pre-IPO scheme') unless:

- (i) such pre-IPO scheme is in conformity with these guidelines; and,*
- (ii) such pre-IPO scheme is ratified by its shareholders in general meeting subsequent to the IPO.*

Provided that the ratification under item (ii) may be done any time prior to grant of new options under such pre-IPO scheme.

The ESOP 2009 has been prepared in conformity with the Guidelines.

To comply with the Guidelines approval of the shareholders is sought by way of special resolution for ratification of the Plan for enabling making of fresh grants under the Plan.

The main features of ESOP 2009 are as under:

1. Total number of options under ESOP 2009:

Options not exceeding 1,443,356 in number (including options already granted under the Plan and not been lapsed / cancelled) would be available for being granted to Employees of the Group under the employee stock option scheme title 'ESOP 2009' in one or more tranches. Each option when exercised would be converted into one Equity Share of Rs. 10 each fully paid-up. The 1,443,356 options constituted 0.5% of the paid-up Equity Shares (taking into consideration bonus issue) of the Company as on the date of institution of the ESOP 2009. The 1,443,356 options authorised under ESOP 2009 constitutes 0.44% of the paid up Equity Shares of the Company as on the date of this Notice.

Vested options that lapse due to non-exercise or unvested options that get cancelled due to resignation of the Employees of the Group or otherwise, would be available for being re-granted at a future date.

In case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, a fair and reasonable adjustment needs to be made to the options granted. Accordingly, for example, if any additional Equity Shares are issued by the Company to the option grantees for making such fair and reasonable adjustment, the above percentage ceiling of paid-up Equity Shares of the Company shall be deemed to be increased to the extent of such additional Equity Shares issued.

2. Identification of classes of employees entitled to participate in the Employee Stock Option Scheme(s):

All permanent employees of the Group, including the Directors but excluding the promoters of the Company, as may be decided by the Compensation Committee from time to time, would be entitled to be granted stock options under the Plan.

3. Transferability of employee stock options

The stock options granted to the Employee of the Group will not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of an employee stock option grantee while in employment, the right to exercise all the options granted and vested to him till such date shall be transferred to his legal heirs or nominees as per terms and conditions of ESOP 2009.

4. Requirements of vesting and period of vesting:

The options granted shall vest so long as the Employee of the Group continues to be in the employment of the Company or its subsidiary companies or its holding company, as the case may be. The Board / Compensation Committee may, at its discretion, lay down certain performance metrics on the achievement of which the granted options would vest.

The exact proportion in which and the exact period over which the options would vest would be determined by the Board / Compensation Committee, subject to the minimum vesting period of one year from the date of grant of options.

The options granted under ESOP 2009 would vest with the Employees over the vesting period as set out below:

- A. In respect of Employees who were in employment on the date two years prior to date of the meeting of the Compensation Committee which shall consider and approve grant of options ('Grant 1'):

Schedule	Percentage of the Options which shall vest
At the end of one year from the date of Grant	20% of the aggregate number of Options granted
At the end of two years from the date of Grant	20% of the aggregate number of Options granted
At the end of three years from the date of Grant	30% of the aggregate number of Options granted
At the end of four years from the date of Grant	30% of the aggregate number of Options granted

- B. Grant to Employees other than Grant of Options under Grant 1 ('Future Grant')

Schedule	Percentage of the Options which shall vest
At the end of one year from the date of Grant	10% of the aggregate number of Options granted
At the end of two years from the date of Grant	20% of the aggregate number of Options granted
At the end of three years from the date of Grant	30% of the aggregate number of Options granted
At the end of four years from the date of Grant	40% of the aggregate number of Options granted

In the event of any change in the constitution of the Company, change of control of the Company, re-structuring of the Company including but not limited to, merger, de-merger, spin-off, reverse merger, subsidiarisation, etc., or amalgamation of any other entity with the Company, the Options Granted shall Vest forthwith, subject to the minimum time for Vesting prescribed under the SEBI Guidelines. In such an event, the Compensation Committee would have the authority to alter all or any of the terms relating to the Grant or this ESOP 2009 in general and would also have the authority to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and as permitted under Applicable Law, so as to ensure that the benefits under the Grant are passed on to the Employees. The Compensation Committee shall take appropriate actions to ensure that total value of the Options remains the same after the aforesaid corporate actions and in this regard shall if necessary, arrange issuance of fresh Options / shares of the holding / subsidiary companies of the Company and / or resultant entities emerging due to such corporate actions.

5. Exercise Price:

The options would be granted at an exercise price as follows:

- A) For Grant 1: IPO Price
 B) For Future Grants: Price will be up to a maximum 25% discount to Market Price per share,

Where,

'IPO Price' means the final price per Equity Share at which Shares had been issued and allotted in the initial public offer of Shares of the Company i.e. Rs. 260 per Equity Share of Rs. 10 each;

'Market Price' means the latest available closing price per Equity Share on the stock exchange on which the Shares of the Company are listed, prior to the date of the meeting of the Compensation Committee in which Options are Granted / Equity Shares are issued pursuant to Exercise of Options. If the Shares are listed on more than one stock exchange, then the stock exchange where there is highest trading volume on the said date shall be considered. In case the shares are not listed on recognised stock exchange, for any Grant of Options prior to the listing of the Shares, the Market Price shall mean the IPO Price.

6. Exercise Period and the process of Exercise:

The Exercise period would commence from the date of vesting and will expire on completion of three years from the date of vesting of options.

The options will be exercisable by the Employees of the Group / legal heirs or nominees by a written application to the Board to exercise the options in such manner and on execution of such documents as may be prescribed by the Board from time to time. The options will lapse if not exercised within the specified exercise period and get added back to the pool of employee stock options. Such options can be re-granted to employees in the future.

7. Appraisal Process for determining the eligibility of the employees to ESOP:

The appraisal process for determining the eligibility of the employee will be specified by the Board, and will be based on criteria such as role / designation of the employee, criticality of the employee, length of service with the Group, past performance record, future potential of the employee and / or such other criteria that may be determined by the Board at its sole discretion.

8. Maximum number of options to be issued per employee and in aggregate:

The number of options that may be granted to any specific employee under the Scheme shall not exceed than 0.5% of the paid-up Equity Shares (excluding outstanding warrants and conversions) of the Company at the time of grant of options.

9. Disclosure and Accounting Policies:

The Company shall comply with the disclosure and the accounting policies prescribed as per SEBI (Employee Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999, as amended, (the '**Guidelines**') and prescribed by the concerned authorities from time to time.

10. Method of option valuation

To calculate the employee compensation cost, the Company uses the Intrinsic Value Method for valuation of the options granted.

The difference between the employee compensation cost computed using the Intrinsic Value method and the cost that shall have been recognised if it had used the Fair Value method, shall be disclosed in the Directors' Report and also the impact of this difference on profits and on Earnings per Share of the Company shall also be disclosed in the Directors' Report.

As per the Guidelines, a separate resolution is required to be passed if the benefits of the employee stock option scheme are to be extended to employees / directors of the subsidiary or holding Company. The separate resolution under Item no. 8 is being accordingly proposed for ratification of the Plan to enable making of fresh grant to employees of the subsidiary companies and / or holding company (if any), and / or such other persons as may be permitted from time to time, under prevailing laws, rules, regulations, Guidelines and / or amendments thereto from time to time for being made fresh grants under ESOP 2009.

Your Directors, therefore, recommend the resolutions proposed vide Item Nos. 7 and 8 to be passed as special resolutions by the members.

The copy of the Plan is available at the Registered Office of the Company for inspection of members during business hours on all working days till the date of Annual General Meeting.

None of the Directors of the Company are, in any way, concerned or interested in the said resolution, except to the extent of the options / securities that may be granted / offered to the Directors of the Company under the Plan.

Item No. 9:

Approval of the members is sought in accordance with provisions of section 198 of the Companies Act, 1956 for payment of remuneration by way of commission to the Non-Executive Directors of the Company, on annual basis, not exceeding 1% (one percent) per annum of the net profits of that year of the Company, commencing from financial year 2010-11. If approved by the Members, the remuneration will be distributed amongst such Directors (other than the Managing Director(s) and / or Whole time Director(s)), on annual basis, in such amount, proportion and manner as the Board of Directors may decide.

Your Directors recommend the said resolution proposed vide Item no. 9 to be passed as special resolution by the members.

None of the Directors is concerned or interested in the said resolution, except to the extent of the commission they may receive under authority of this resolution.

Item No. 10:

As required under the provisions of section 163 the Companies Act, 1956, certain documents such as the Register of Members, Index of Members and certain other registers, certificates, documents etc., are required to be kept at the registered office of the Company. However, these documents can be kept at any other place within the city, town or village in which the registered office of the Company is situated, with the approval of the members to be accorded by a special resolution.

The shares transfer agents registered under the SEBI (Registrar to an Issue and Share Transfer Agent) Regulation, 1993, as amended, provides the depository related services for the shares held in dematerialised form and also acts as the Share Transfer Agent for the shares held in the physical form. Hence, the approval of the members is sought in terms of Section 163(1) of the Companies Act, 1956, for keeping the aforementioned registers and documents at the office(s) of the registrar and transfer agents ('**RTA**') as may be appointed from time to time.

Currently, Link Intime India Private Limited having its office at C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup West, Mumbai 400 078 are acting as the RTA for the Company.

In future, if there is a change in the RTA or its address, the Company shall communicate the same by publishing a public notice in newspapers in which the quarterly financial results are generally published.

A copy of the proposed resolution is being forwarded in advance to the Registrar of Companies, Maharashtra, Mumbai, as required under the said Section 163 (1) of the Companies Act, 1956.

The Directors recommend the said resolution proposed vide Item no. 10 to be passed as special resolution by the members.

None of the Directors is concerned or interested in the said resolution.

By Order of the Board

Bhaskar Kshirsagar
Company Secretary

Mumbai, May 4, 2011

Details of Director to be considered for re-appointment at the forthcoming Annual General Meeting (pursuant to Clause 49 of the Listing Agreement)

Name	Mr. Jimmy Bilimoria
Date of Birth	January 27, 1947
Date of appointment on the Board	December 12, 2007
Qualification	1. Bachelor's degree in Commerce from the University of Mumbai. 2. Fellow member of the Institute of Chartered Accountants, England and Wales.
Expertise in specific functional areas	Financial management and accounting. Acquisitions, restructuring and integrations.
Brief Biography	Mr. Jimmy Bilimoria is an Independent, Non-Executive Director of the Company. He has been on the Board of Directors of the Company since December 2007. He was the Managing Director and Country Head for the Ciba group in India and had been associated with this group since 1997 in various capacities including managing director, finance director, vice chairman, country head and non-executive chairman of Ciba India Limited. He has experience in the field of acquisitions, restructuring and integrations. Besides operational and financial responsibility he was actively involved in various acquisition deals, restructuring of businesses and integration of new opportunities including joint ventures and strategic alliances at Ciba India Limited. He had also represented the Ciba India Limited at various International Group forums and business discussions. He has been on the management committees of the Bombay Chamber of Commerce and Industry and the Indo - Swiss Business Forum.
List of other companies in which he holds Directorship as on March 31, 2011	1. Champion Dai-Ichi Technologies India Limited (formerly Baker Oil Treating (India) Limited); 2. Dai-Ichi Karkaria Limited 3. eClerx Services Limited 4. Godrej Industries Limited 5. Infiniti Retail Limited 6. ING Investment Management (India) Private Limited 7. National Peroxide Limited 8. Tata Realty and Infrastructure Limited 9. Tata Global Beverages Limited (formerly Tata Tea Limited) 10. Voltas Limited
Chairman / member of Committees of the Board of the other companies in which he is a Director as on March 31, 2011	Chairmanship: 5 Membership: 1 (Committees considered are Audit Committee and Shareholders' Grievance Committee, in other public limited companies)
Equity Shares held in the Company	Nil