

ANNUAL REPORT

2013-14



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VISION

Godrej City, Panvel, Mumbai



We aspire to be among the nation's top 3 real estate companies, while continuing to be the most trusted name in the industry. We shall deliver superior value to all stakeholders through extraordinary and imaginative spaces created out of deep customer focus and insight.



THE YEAR THAT WAS

ROBUST GROWTH

- FY14 consolidated total income increased by 20% to INR 1254.2 crore from INR 1047.6 crore in FY13
- Consolidated EBITDA for FY14 improved by 21% to INR 357.6 crore from INR 296.2 crore in FY13
- Net profit increased by 15% to INR 159.4 crore in FY14 from INR 138.4 crore in FY13
- Demonstrates GPL's ability to successfully raise capital
- Strengthened GPL's financial position and ability to add projects across India

CONTINUED PROGRESS IN BUSINESS DEVELOPMENT

- Godrej Properties added 8 new projects with ~13.42 million sq. ft. of saleable area to the Company's development portfolio
- Added an important township project in Bangalore with a saleable area of 5 million sq. ft. This will be GPL's third township project after Ahmedabad and Panvel.
- Added two projects under the Residential Co-investment Platform - Okhla, New Delhi & Sahakar Nagar 2, Mumbai

STRONG SALES

- Registered booking value of INR 2,438 Crore in FY14 despite adverse market conditions
- GPL sales in FY13 & FY14 combined are higher than in the cumulative prior history of the company
- Highest ever sales in a single quarter - Surpassed INR 1,000 crore in quarterly sales in Q4 FY14
- Godrej Central, Mumbai - Sold over 200 apartments valued at over INR 400 crore in a single day
- Godrej Waterside, Kolkata - Recorded sales of 485,579 sq. ft. valued at INR 201 crore. Successful monetization of an old commercial project.
- Godrej United, Bangalore - Sold 120 apartments totalling 200,000 sq. ft. within the first week of the launch
- Godrej BKC, Mumbai - Sold 202,101 sq. ft. for INR 505 crore despite a weak commercial market in Mumbai

ON TIME DELIVERY AT GODREJ GARDEN CITY, AHMEDABAD

- Delivered 624 homes across 13 towers in Phase 1 of Godrej Garden City, Ahmedabad
- The Global Indian International School has been inaugurated at Godrej Garden City. The first batch of students started attendance in April, 2014.

HIGH EMPLOYEE ENGAGEMENT

- Exhibited exceptional improvement in team building and employee engagement while growing employee base by 40%
- In an employee engagement study by Hewitt, Godrej Properties' employee engagement scores came in at 81%, well above the average for the best-in-class companies in Asia

SUCCESSFUL RIGHTS ISSUE

- Rights Issue of INR 700 crore over-subscribed in a difficult macro-economic environment



COMPANY INFORMATION

DIRECTORS	:	1.	Mr. Adi B. Godrej	-	Chairman
		2.	Ms. Parmeshwar A. Godrej		
		3.	Mr. Jamshyd N. Godrej		
		4.	Mr. Nadir B. Godrej		
		5.	Mr. Pirojsha Godrej	-	Managing Director & Chief Executive Officer
		6.	Mr. Amit B. Choudhury		
		7.	Mr. Keki B. Dadiseth		
		8.	Mrs. Lalita D. Gupte		
		9.	Mr. Pranay D. Vakil		
		10.	Dr. Pritam Singh		
		11.	Mr. S. Narayan		
		12.	Mr. Amitava Mukherjee		
		13.	Mr. K. T. Jithendran	-	Executive Director
		14.	Mr. V. Srinivasan	-	Executive Director

**REGISTERED
OFFICE** : Godrej Bhavan
4th Floor, 4A Home Street,
Fort, Mumbai 400 001.

AUDITORS : M/s. KALYANIWALLA & MISTRY
Chartered Accountants
Kalpataru Heritage
127, Mahatma Gandhi Road
Mumbai - 400 001.

BANKERS : State Bank of India
IDBI Bank
HDFC Bank



AWARDS & RECOGNITION

Awards Received by Godrej Properties

Best Emerging Developer	• NDTV Property Awards 2013
Brand Excellence Award	• Brand Excellence Awards 2013
Master Brand 2013	• World Brand Congress Summit 2013
Developer of the Year	• Indian Realty Awards 2013
#1 Ranked Real Estate Developer	• India's Best Companies to Work For by the Great Places to Work Institute, India in partnership with the Economic Times • Voted as #25 best company to work for in the overall category
India's Top 10 Innovative Builders	• Construction World Architect and Builder (CWAB) Awards 2013
Sustainability Award – CII	• One of the 11 companies in India to have made an outstanding contribution to the green building mission - GreenCo Summit 2013
Outstanding Contribution in Real Estate (Residential Project)	• EPC World Awards 2013
Real Estate Developer of The Year (Maharashtra)	• Brands Academy Real Estate Awards
Ethical Brand For Real Estate	• CMO Asia
Real Estate Company of the Year	• Second Position, Construction Week Awards 2013
Diamond EDGE Winner for Customer Experience Transformation	• Information Week
Real Estate Person of the Year	• Received by Mr. Pirojsha Godrej – Construction Week Awards 2013
Person of the Year 2013	• Received by Pirojsha Godrej - Sixth GIREM Leadership Awards
Most Admired Retail Website	• Asia Retail Congress Awards
Gold in the category of Online Newsletter – Vibrations	• Public Relations Council of India (PRCI)
Silver in the category of In-House Magazine – Storey Times	• Public Relations Council of India (PRCI)
Best Business Practice in Real Estate	• National Real Estate Award for Excellence in Real Estate for the year 2012 by Accommodation Times

**YOUR COMPANY HAS RECEIVED MORE THAN
60 AWARDS AND RECOGNITIONS OVER THE
LAST 5 YEARS AND 28 AWARDS IN FY14.**

Project-Specific Awards

The Trees	<ul style="list-style-type: none"> • Honour Award by 'The Boston Society of Landscape Architects' • Best Marketing Campaign - Affordable Housing Segment - Paul Writer's Great India Marketing Summit
Godrej Garden City	<ul style="list-style-type: none"> • Affordable housing project for the year - West India - 6th Estate Awards 2013, West India Edition • The Best innovative Marketing Campaign - Golden Mikes Award
Godrej Platinum, Bangalore	<ul style="list-style-type: none"> • Luxury Project of the Year - Bangalore Real Estate Awards 2013
Godrej Platinum, Kolkata	<ul style="list-style-type: none"> • Best upcoming project in Bengal - CREDAI Bengal Realty Awards 2014 • 6 Star rating – CRISIL
Godrej Frontier	<ul style="list-style-type: none"> • Best 50% Complete Residential Project under Luxury Segment in NCR Region CNBC AWAAZ Real Estate Awards 2013
Godrej Palm Grove	<ul style="list-style-type: none"> • Best mid-range housing project of the year – Chennai Real Estate Awards 2013
Godrej Anandam	<ul style="list-style-type: none"> • 6 Star Rating - CRISIL

MESSAGE FROM THE **CHAIRMAN**



Mr. Adi B. Godrej
Chairman,
The Godrej Group

**Your Company delivered a strong performance.
We continued to lay the foundation for our
future growth and success through sustained
momentum in business development.**

Dear Shareholders,

FY14 was a challenging year for the Indian economy. The country has witnessed a sharp decline in its economic growth from an average of 8.2% during the period FY04 - FY12 to below 5% in FY13 and FY14. This poor performance was driven by a weak manufacturing sector, a slowdown in the investment cycle, and a slump in consumer demand. Monetary tightening implemented by the RBI in its effort to control inflation also dampened growth. Poor consumer sentiment combined with high interest rates and a very challenging regulatory approval environment combined to create a difficult year for the real estate sector.

In the midst of these challenges, your Company delivered a strong performance. We continued to lay the foundation for our future growth and success through sustained momentum in business development by adding 8 new projects with a saleable area of over 13 million square feet, which for the first time took our total development portfolio to over 100 million square feet. We demonstrated robust performance on most operational and financial parameters. For the full year, our total income increased by 20% to INR 1,254 crore, EBITDA increased by 21% to INR 358 crore and net profit increased by 15% to INR 159 crore. During the year we successfully

executed a rights issue through which your Company raised 700 crores, which will ensure adequate capital to fund our ongoing growth and success. Furthering our commitment towards sustainable development, I am happy to note that Godrej BKC was the first multi-occupant building in Bandra Kurla Complex to receive a LEED Platinum precertification, a standard which is globally recognized as the highest available rating for sustainable design. Your Company has also been accredited with significant recognition with a total of 28 awards being received in FY14.

The new single party majority government and a Prime Minister who has received a strong mandate for development has dramatically improved economic sentiment in India. The Government is expected to work on improving the ease of doing business. Given its thrust on reforms, the new government should look to improve the process of regulatory approvals for infrastructure and real estate projects. The current process is broken leading to lower economic growth by unnecessarily holding back investments, damaging job creation in the construction industry, which is the country's largest job creator aside from agriculture, and inflating the cost of homes for all Indians. Economic growth, job creation, and inflation control are three of the new

government's top priorities and, if executed well, changes to the way the infrastructure and real estate sectors are governed could yield strong benefits in each of these three priority areas.

After the challenging environment over the last couple of years, I expect a far improved operating environment for your Company in the years ahead. The Indian real estate sector remains at a very early stage of what is going to be a decades long growth story. We believe that our national presence, strong brand equity and robust project portfolio will allow us to capitalize on this opportunity.

I take this opportunity to thank our dedicated employees who contributed to our successful performance during the year. I would also like to thank our customers, business partners, and other business associates. Finally, I would like to thank our shareholders for their continued support.

Best regards,

Adi B. Godrej
Chairman,
The Godrej Group

MESSAGE FROM THE **MANAGING DIRECTOR**



Pirojsha Godrej
Managing Director & CEO,
Godrej Properties

Your company has emerged from a difficult period for the real estate sector stronger than it has ever been and is ideally placed to take advantage of the expected improvement in India's economic environment.

Dear Shareholders,

Financial Year 2014 has been another exciting year for Godrej Properties. Despite the challenging macroeconomic and real estate sector environment, your company demonstrated superior performance by achieving 20% revenue growth and 15% net profit growth. Equally importantly, it was another year in which we have laid strong foundations for our ongoing success.

As we look ahead to what we hope to achieve in our business in the next decade, it is instructive to study what we have achieved in the decade gone by. Our business has strengthened in all aspects over this period. We have grown our revenues from under 30 crores in FY 2004 to over 1,250 crores in FY 2014 at a compounded annual growth rate (CAGR) of 46%. Our profits have grown at an even faster at 52% CAGR from a little over 2 crores to 160 crores over that same time period. GPL's sales growth has been almost as fast with bookings growing at 30% a year from 183 crores in FY 2004 to 2,438 crores in FY 2014. Our sales in the past two financial years have exceeded our sales in the cumulative prior 22 year history of the company. Our future development portfolio has expanded from just 2 million sq. ft. to over 100 million sq. ft. during this period. In order to deliver these results, we have continually fine tuned

our capital efficient land sourcing strategy and have substantially increased our capabilities across all aspects of our operations. We believe these capabilities will enable us to continue to grow at a rapid pace in the years ahead.

In FY14, we added 8 new projects to our portfolio. The most important new project for us this year was a new township project in Bangalore spread across 100 acres; this will be our third township project after Ahmedabad and Panvel and has the potential to redefine the scale of our operations in Bangalore. We have added over 25 new projects to our portfolio over the past 3 years; we are confident these projects will further enhance the growth trajectory of the company in the years to come. We are focusing on adding and launching projects in major cities across the country which is in line with our vision of being one of the top 3 developers in each of the markets we operate in.

One of the key highlights for Godrej Properties for the last couple of years has been the excellent response we have received to our new project launches. Our two major new project launches in FY14, in Mumbai and Bangalore, both happened towards the very end of the financial year. The outstanding response to these projects enabled us to achieve our highest ever sales in a single quarter and for the first time exceed

Rs. 1,000 crore in quarterly sales in Q4 FY 14. Commercial sales was another area of success in FY 2014. Our important commercial project Godrej BKC continues to progress well. We have sold more than 250,000 sq. ft. of space worth approximately INR 637 crore since that project was launched a little over a year ago. We also completed sales in Godrej One, Godrej Properties' first commercial project in Vikhroli. Slow sales in some of our older commercial projects in Kolkata and Chandigarh have been concern areas for the company, but huge progress on this front was made through substantial inventory being sold in our project Godrej Waterside where we sold nearly 500,000 sq. ft. of space in the financial year.

One of the important milestones for your company in FY2014 was the successful delivery of 624 homes to our customers in the first phase of our largest project, Godrej Garden City in Ahmedabad. I am happy to share that this handover happened within the timelines committed to our customers. We have also successfully inaugurated the Global Indian International School at Godrej Garden City and are excited to see this project beginning to take shape.

We had another year with multiple projects receiving green building certifications. This included LEED Platinum pre-certifications for Godrej BKC and the first residential phase at The Trees. This is in line with our commitment to develop every Godrej Properties project as a green building. I am happy to note that your company received a Sustainability Award from CII, presented by ex-President of India, APJ Abdul Kalam, which recognized GPL as one of a handful of companies from across sectors to have driven the green building movement in India.

The scale and complexity in our operations has increased dramatically over the past couple of years. To deliver our ambitious growth plans, we will have to ensure that our talent and organizational capabilities are growing ahead of our operational requirements. Our total employee base increased by 40% in FY14. During the year, we continued to do well in our employee engagement initiatives. I am happy to share that Godrej Properties for the third consecutive year has been ranked 1st among the 'Best Companies to Work For' in the real estate sector in the Great Places to Work

Study conducted in partnership with the Economic Times. It has also been ranked as one of the top 25 companies to work for across sectors.

Though a lot of accomplishments were registered in FY14, the year wasn't insulated from disappointments. From a new project launch perspective we had a subdued year as many of our planned launches were held back due to delays in regulatory approvals. In FY14, there were substantial delays in project launches in Mumbai due to unexpected policy reversals with regards to affordable housing and open space requirements which resulted in only 3 out of 7 planned new project launches materializing. We believe a virtuous cycle of improved cash flows and return metrics can be unlocked by minimizing the time taken to launch a project. The efforts we have made in improving our capabilities are beginning to show results; in Bangalore, we launched Godrej United in the same financial year as we entered the project and in Gurgaon we launched Godrej Oasis in April 2014 within 9 months of signing the development agreement.

Our performance for the year underlined the effectiveness of our resilient and differentiated business model that is anchored by the strength of the Godrej brand and the ability that gives us to attract partners and customers across the country. Your company has emerged from a difficult period for the real estate sector stronger than it has ever been and is ideally placed to take advantage of the expected improvement in India's economic environment.

I would like to take this opportunity to sincerely thank my management team for the exceptional efforts they have made throughout the year to ensure strong performance in an adverse environment. I would also like to thank our joint venture partners, customers, and business associates for their support. Finally, a big vote of thanks to all our investors for their continued belief in Godrej Properties.

Best wishes,

Pirojsha Godrej
Managing Director & CEO,
Godrej Properties

MANAGEMENT DISCUSSION & ANALYSIS

THE REAL ESTATE SECTOR CONTINUES TO BE AT THE CORE OF THE INDIAN ECONOMY AND A MEANINGFUL CONTRIBUTOR TO ITS GDP GROWTH, EMPLOYMENT, FOREIGN DIRECT INVESTMENT AND TO THE BANKING & FINANCE INDUSTRY (BFSI). ALTHOUGH FY2013-14 WAS A DIFFICULT YEAR FOR THE REAL ESTATE SECTOR THE LONG-TERM POTENTIAL FOR THE SECTOR REMAINS INTACT AND IT CONTINUES TO BE AN IMPORTANT CATALYST TO THE NATION'S OVERALL ECONOMIC GROWTH.

GLOBAL ECONOMY

Global economic growth remained low during financial year 2013-14, averaging only 2.9%, which is the slowest it has been since 2009. The advanced economies have recently seen improved growth while emerging market economies have slowed, albeit the bulk of global growth continues to come from the emerging economies. The latest indicators point to somewhat better prospects in the near term but different growth dynamics between the major economies. The International Monetary Fund (IMF) has raised the global economic growth outlook for 2014 to 3.6% and this is expected to accelerate to 3.9% in 2015. Growth in the advanced economies is seen increasing to about 2.3% during FY2014-15, a 1% improvement over 2013. Key drivers for this improvement are a reduction in fiscal tightening and supportive monetary conditions.

Growth is expected to be the strongest in the United States at about 2.8% in 2015. In the European Union, growth is projected to be positive but varied. In the emerging markets and developing economies growth is projected to gradually pick up from 4.7% in 2013 to about 5% in 2014 and further to 5.3% in 2015. This will be aided by stronger external demand from advanced economies. Economic growth in China is projected to remain steady at 7.5% in 2014 as authorities seek to rein in credit and advance reforms, while ensuring a gradual transition to a sustainable growth path.

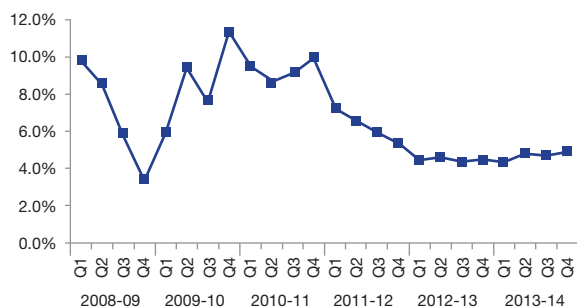




INDIAN ECONOMY

The Indian economy weathered the global financial crisis well. It quickly recovered from the decline in FY2008-09 to a healthy growth rate of around 9% annually during FY2009-10 and FY2010-11. However, the recovery was short-lived as economic growth decelerated to 6.2% in FY2011-12 and further to 5.0% in FY2012-13. The Indian economy grew by 4.7% in FY14. This marks a second straight year of below 5% growth.

Growth Rate in GDP at Factor Cost



Source: RBI Database

The IMF has estimated a better year ahead for the Indian economy per the World Economic Outlook that it released in January 2014. A series of reform measures have been taken including clearing several large-scale projects by the Cabinet Committee on Investment. These are collectively projected to help revive the Indian economy and investor sentiment. In addition, the resurgence of exports, prospects of a revival in the global economy and moderation in inflation point towards a better outlook for the domestic economy during FY2014-15.

REAL ESTATE SECTOR: AN OVERVIEW

The real estate sector continues to be at the core of the Indian Economy and a meaningful contributor to its GDP growth, employment, foreign direct investment and to the banking and finance industry (BFSI). Although FY2013-14 was a difficult year for the real estate sector the long-term potential for

MANAGEMENT DISCUSSION & ANALYSIS

The silver lining has been a slow, but gradual increase in sales momentum, a moderate rise in capital values across a few cities and the holding up of prices across major cities.

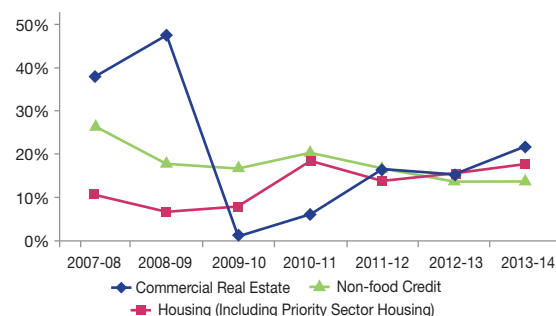
the sector remains intact and it continues to be an important catalyst to the nation's overall economic growth.

During FY2013-14, subdued sales, increased unsold inventory levels and high leverage undermined the sector's performance. Political uncertainty, slow economic growth, sustained weakening of the Indian Rupee, rising inflation and hardening interest rates continued to be the key barriers to improving demand. Further, adverse regulatory developments and increased borrowing rates pushed up project costs and delayed execution timelines. The real estate market also witnessed a general slowdown in absorption rates in the residential and commercial asset classes. Delays in obtaining approvals, demand-supply gaps and rising input costs continued to be a cause for concern.

Monetary tightening on account of the Reserve Bank of India's (RBI) measures to control inflation was a major macro influence on the sector. Overall, liquidity in the sector remained tight as banks continued to be selective in extending loans. In January 2014, RBI increased the repo rate to 8% as a measure to control inflation which affected borrowing costs and hampered supply and new launches. Increased lending rates translated into an increase in housing loan rates which in turn softened residential sales.

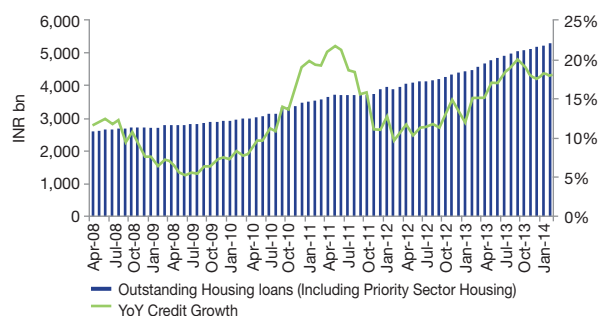
On the policy front, the year witnessed the introduction of several new state and local approvals and environment clearances. While some of these regulations increased project costs and deadlines, some showcased the Government's inclination to increase investments and usher in transparency. An encouraging development during the year was the passing of draft guidelines on Real Estate Investment Trusts (REITs). Despite many obstacles, India's real estate market has been resilient, demonstrating steadiness even in times of economic sluggishness. The silver lining has been a slow but gradual increase in sales momentum, a moderate rise in capital values across a few cities and the holding up of prices across major cities.

Growth in Bank Loans to the Housing Sector



Source: Cushman & Wakefield Research, Reserve Bank of India

Growth in Bank Loans to the Housing Sector



Source: RBI

HOUSING DEMAND IN INDIA IS SEEN EXCEEDING SUPPLY OVER THE NEXT DECADE. NEVERTHELESS, THE OPPORTUNITY NEEDS TO BE WELL SUPPORTED BY DEVELOPMENT POLICIES AND REGULATIONS AIMED AT CREATING ADDITIONAL INFRASTRUCTURE AND STIMULATING HOUSING DEMAND.

RESIDENTIAL REAL ESTATE

India's residential housing segment underperformed due to weak demand trends which slowed down sales, reduced absorption and increased inventory levels. According to the property research firm Lienes Foras, the pan-India residential inventory as on December 31, 2013 stood at approximately 779 million square feet (msf), as against quarterly sales of approximately 60-65 msf, indicating three years of available inventory.

High cost of finance, escalating cost pressures and an opaque regulatory scenario have been the key impediments which led developers to curtail prices. For home buyers, the sentiment has been considerably soft with persistently high interest rates and real estate prices. Housing demand in India is seen exceeding supply over the next decade. Nevertheless, the opportunity needs to be well supported by development policies and regulations aimed at creating additional infrastructure and stimulating housing demand. Going forward, policy-based efforts are expected from the Government to make real estate more transparent and investment friendly.

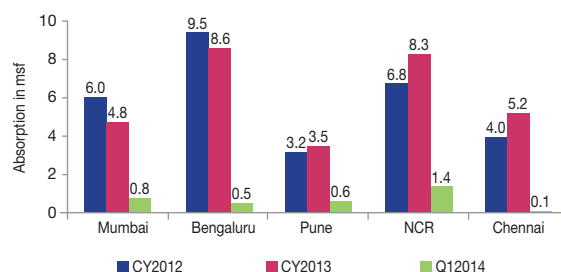
COMMERCIAL REAL ESTATE

The commercial real estate sector stayed relatively weak. Reduction in new office developments,

decline in leasing activity, lack of appreciation in capital values, compression in yields and lease rentals across major Indian cities were a few factors that impacted overall performance. Also developers were more inclined towards residential projects over commercial development. A decelerating GDP growth and political uncertainty impacted the overall investment climate. An emerging trend in CY2013 was that of a substantial portion of office space absorption being on account of companies relocating or consolidating operations to a single, larger and economic location.

A similar trend continued during the first quarter of 2014. The occupier focus continued to remain on improving existing space utilization and/or relocation to peripheral and secondary micro-markets with majority of deal closures resulting for small-to-medium-sized office spaces. IT/ITeS, financial and services segments continued to drive demand for office space in India's leading cities.

City-wise Commercial Property Absorption



Source: Colliers International

In the long term, commercial real estate is expected to witness robust demand with an increasing number of companies looking to expand operations and setting up offices in suburban locations. These locations are equipped with large office space with modern amenities, car parking and safety at relatively low rents. Issuance of new banking licenses will stimulate increased demand

In the long term, commercial real estate is expected to witness robust demand with an increasing number of companies looking to expand operations and setting up offices in suburban locations.

from the BFSI sector. Given the shortage of quality office space, Mumbai's commercial real estate market continues to remain attractive. Going forward, rental values across most micro-markets in India's six major cities will remain steady even in a weak demand scenario with restricted new supply being added to the office inventory. The market is expected to further pick up momentum with more corporate houses looking at buying property instead of leasing.

OPPORTUNITIES

Housing Demand

Your Company expects demand from the mid income residential segment to remain strong as we believe there is significant demand in this category across the country. Increasing disposable incomes, rapid urbanization and strong demographics are some of the trends favoring the mid-income residential market.

Redevelopment in Mumbai

Redevelopment in Mumbai offers a tremendous opportunity with a significant number of buildings to be redeveloped in the next decade. Land is a scarce commodity in Mumbai and redevelopment is a way to ease the pressures of housing in the city. The government has sensible policies in place to attract private investment in this space.

Monetary Easing

The real estate sector performance is directly bound by the country's economic fundamentals and monetary policies. In January 2014, the RBI

Godrej Oasis, Gurgaon





increased repo rates to 8% impacting the cost of borrowings and the interest rates on home loans. Monetary easing initiatives will provide an impetus to housing demand. Even a nominal roll-back in rates can positively impact sentiments and encourage home buyers and real estate developers.

Real Estate Reforms

In order to realize the long-term growth potential of the sector, there is a growing need to introduce reforms. Year 2013 has witnessed various measures initiated by the Indian Government to revive growth in the real estate sector, which if executed correctly, will encourage transparency, corporate governance and investment and improve the industry's long-term prospects. It is our hope that various regulations also incorporate provisions to address challenges the sector currently faces in terms of receiving project approvals.

Real Estate Regulation and Development Bill, 2013

The Real Estate Bill was introduced in the Rajya Sabha on August 14, 2013, post approval from

the Union Cabinet in June 2013. The Bill aims to bring in a high level of transparency in real estate transactions in India and implementation of projects. State Governments, along with the Ministry of Consumer Affairs, the Competition Commission of India, the Tariff Commission among others have backed the Bill.

Foreign Direct Investment (FDI) in Real Estate

India allowed Foreign Direct Investment (FDI) in the real estate sector in 2005. Currently up to 100% FDI is allowed in the real estate sector through the automatic route. The construction sector in India attracted FDI worth Rs 64 bn during April 2013 – February 2014. With an increased need of meeting the growing housing demand in India, the Ministry of Housing and Urban Poverty Alleviation made proposals in August 2013 to ease FDI norms in real estate projects.

Real Estate Investment Trusts (REITs)

The Real Estate Investment Trusts (REIT) structure consists of a single company or group owning and

MANAGEMENT DISCUSSION & ANALYSIS

To attract foreign investment, SEBI released draft guidelines on REITs in 2013. This move is expected to attract retail investment and provide appropriate exits to developers in the office asset class.

managing assets on behalf of their investors. REITs primarily invest in completed real estate assets that generate revenue and the majority of their earnings are distributed among investors. REITs are thus a low-risk investment avenue providing regular income.

To attract foreign investment in the real estate sector, SEBI released draft guidelines on REITs in 2013. This move is expected to create a transparent environment thereby attracting retail investment and providing appropriate exits to developers in the office asset class. Globally REITs have proven to be an attractive investment option ensuring participation from retail investors, pension funds and insurance companies. The operation of REITs will deepen the market, attract long-term and low-cost capital and usher in greater transparency and better levels of disclosures.

Increased Private Equity (PE) Investments

Due to a shortfall of bank funding, the real estate sector has benefitted strongly from Private Equity (PE) funding. Entry of PE participants has led to higher efficiency, execution and transparency. According to a Cushman & Wakefield report, investments by PE funds in real estate stood at approximately INR 79.5 bn in FY2013-14, up 47.2% YoY. This was primarily due to high investments in the residential asset class. While the total number of deals almost doubled to 52 in FY2013-14 up from 29 in FY2012-13, the average

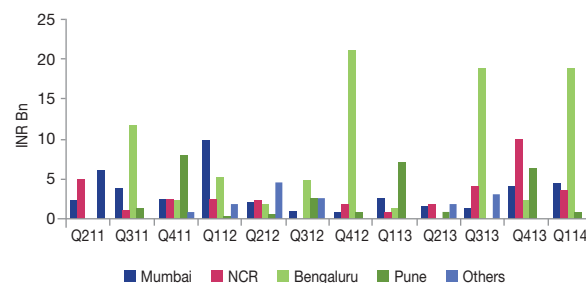
deal size declined to Rs 1.53 bn from Rs 1.89 bn. PE as a funding practice has been well established and its contribution has been sizeable in the last five years. In the coming years, India's real estate sector is expected to gain healthy traction from a PE perspective.

Announced Real Estate Deals



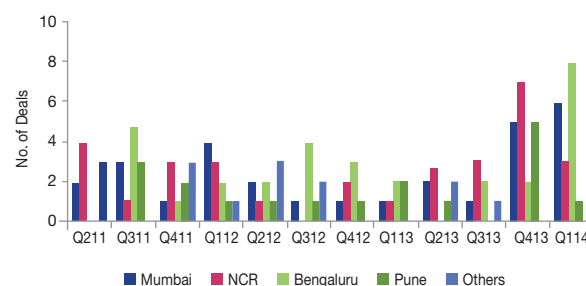
Source: Cushman & Wakefield

Announced PE deals - City-wise (Value)



Source: Cushman & Wakefield

Announced PE deals - City-wise (No of Deals)



Source: Cushman & Wakefield

TODAY, WE ARE AMONGST THE LARGEST REAL ESTATE DEVELOPERS IN INDIA WITH MORE THAN 100 MILLION SQUARE FEET OF DEVELOPABLE AREA UNDER MANAGEMENT FEATURING RESIDENTIAL, COMMERCIAL AND TOWNSHIP PROJECTS. THROUGHOUT ITS OPERATIONS, GPL AIMS TO DELIVER SUPERIOR VALUE TO ALL STAKEHOLDERS THROUGH EXTRAORDINARY AND IMAGINATIVE SPACES CREATED OUT OF DEEP CUSTOMER FOCUS AND INSIGHT.

THREATS AND CHALLENGES

Economic Environment

The prospects of India's real estate sector are closely linked with the state of the economy. The overall economy has been weakened in the recent years with GDP growth, fiscal deficit, current account deficit and inflation being at unfavorable levels. This has impacted consumer and business sentiment adversely affecting demand across residential, commercial and retail segment. Sluggish domestic GDP growth along with weak global markets can significantly affect the sector.

Regulatory Hurdles

Unfavorable changes in government policies and the regulatory environment can adversely impact the performance of the sector. There are substantial procedural delays with regards to land acquisition, land use, project launches and construction approvals. Retrospective policy changes and regulatory bottlenecks may impact profitability and affect the attractiveness of the sector and companies operating within the sector.

Rising Construction Costs

Being the largest employment generator in India other than agriculture the sector faces substantial manpower shortages. Labor costs have considerably increased and the market is facing acute shortage of skilled labor. This is partly due to locally generated employment opportunities through government welfare schemes. These schemes, such as the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) and Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) are discouraging migrant laborers from moving away from their hometowns. The industry has also witnessed substantial increases in input costs such as sand, cement and steel.

ABOUT GODREJ PROPERTIES LIMITED

Godrej Properties Limited (GPL) is the real estate development arm of the Godrej Group, which was started in 1897 and is today one of India's most successful conglomerates. GPL brings the Group's philosophy of innovation and excellence to the real estate industry, while aspiring to continue to be the most trusted name in the industry. GPL has completed several landmark projects and is currently developing residential, commercial and township projects spread across more than 100 million square feet in 12 cities across India. Throughout its operations, GPL aims to deliver superior value to all stakeholders through extraordinary and imaginative spaces created out of deep customer focus and insight.

GPL has always embraced the notion that collaboration is the essence of excellence. To that end, we have worked with the best designers, architects and contractors within India and around the globe to deliver imaginative and sustainable spaces. By bringing together the best talent in the global real estate sector, GPL works to create developments that will last into the future and foresee the needs of each and every resident.

We believe that the strength of the 'Godrej' brand and its association with trust, quality and reliability help us in many aspects of our business.

Our Key Business Priorities

We are today among one of the largest real estate developers in India with more than 100 million square feet of developable area under management featuring residential, commercial and township projects. Your Company is driven by certain strategic priorities to deliver value to the stakeholders. Below are some of our key business priorities:

a. Leveraging the 'Godrej' Brand

We believe that the 'Godrej' brand is instantly recognizable across India due to its long standing presence in the Indian market, the diversified businesses in which the Godrej Group operates and the trust it has developed over the course of its operating history. We believe that the strength of the 'Godrej' brand and its association with trust, quality and reliability help us in many aspects of our business.

These include entering into joint development agreements, expanding to new cities and markets and formulating business associations. The brand has also helped us build deeper relationships with our customers, service providers, process partners, investors and lenders, all of which have led to us acquiring a strong position within the sector. In addition, GPL's association with the Godrej Group provides accessibility to several

Godrej Platinum, Kolkata





land parcels owned by Godrej Group companies enhancing the scope of our development portfolio significantly.

b. Sustained Business Development Momentum with Key Focus on Residential Projects

Our strength lies in the diversity of our operations spanning multiple markets. Over the years, we progressively diversified our revenue mix towards residential projects and are successfully creating a meaningful presence in our targeted markets of Mumbai, NCR, Bengaluru, Chennai and Pune.

For new projects, we are judiciously focusing only on residential projects in key markets across the country. During FY2013-14, we added 8 new projects to our development portfolio and concluded deals across India in Mumbai, New Delhi, Bengaluru, Gurgaon and Pune. The table has the details on these new projects:

New Projects Added in FY14

Location	Saleable Area (Mn sq. ft.)
Okhla, New Delhi	0.85
Whitefield, Bengaluru	1.00
Sector 88A/89A, Gurgaon	1.20
Bhandup, Mumbai	0.77
Vikhroli, Mumbai	0.80
Keshav Nagar, Pune	2.80
Padur, Chennai	1.00
Devanahalli, Bengaluru	5.00

c. Excellence in Project Execution

Our key strength has been meticulous execution of our under-construction projects within the determined timeframe. Our track record on execution quality and timelines gives us credibility with our customers. To further enhance our execution capabilities, we outsource certain functions to leverage best-in-class practices and partners. This enables us to focus on

MANAGEMENT DISCUSSION & ANALYSIS

For new projects, we are judiciously focusing only on residential projects in key markets across the country. During FY14, we added 8 new projects to our portfolio in Mumbai, New Delhi, Bengaluru, Gurgaon and Pune.

core functions of land sourcing, project execution, and marketing. Since regulatory approvals are often a considerable obstacle in meeting our goals, we have strengthened our internal capabilities to expedite these approvals and launch projects on time. During the year, we successfully delivered the first phase of Godrej Garden City, our first-ever township project at Ahmedabad, well within timelines.

d. Capital Efficient Deal Structures to Remain Asset Light

We continue to pursue new projects through joint development agreements with land owners. In addition, we have also diversified our execution model by undertaking projects as a Project Development Manager on a fee basis. We have created a residential investment platform to enable us to enter projects with large capital investment required. Our mission is to seek superior long-term growth in shareholder value by maximizing returns through optimal financing and fiscal discipline.

e. Sustainable Development

We follow a comprehensive approach to sustainable development from early design phase through the construction period. In our integrated process, how we design our developments takes on key importance. Utilizing tools such as energy modeling allows us to reduce energy consumption in buildings which in turn reduces

their operational carbon footprint. We encourage the use of locally-sourced construction materials which correspondingly reduces carbon miles from transport and supports the growth of local industries. We reuse and recycle the bulk of our construction waste in order to divert it from municipal landfills. Our focus on sustainable development covers environmental parameters including site selection and planning, pedestrian friendly developments, water and energy efficiency as well as responsible material sourcing.

We look at sustainability at a larger organizational level where, as a part of the Godrej Group, we are one of the founding members of the Indian Green Building Council (IGBC) which is actively involved in promoting green building concepts in India. Our portfolio wide approach has proved useful for us to action our goal that all of our buildings should at a minimum be pre-certified by IGBC. We have aligned and standardized our internal business processes to include, accept and deliver an environmental-friendly robust product. Sustainability is one of the key principles underscoring our 'Design led' approach and is a part of the GPL Design Studio's mandate. This has allowed us to leverage sustainable design as an innovation mechanism. At the GreenCo Summit 2013, we bagged CII's 'Sustainability Award' as one of the 11 Indian companies to have made an outstanding contribution to the green building mission.

f. Human Capital

Human capital plays a crucial role in achieving our growth aspirations. In line with our operational scale-up, we increased our total employee strength by 40% to 601 employees during the year. Our employee value proposition is based on a strong focus on employee development, exciting work culture, competitive compensation and the pursuit for excellence. A motivated and empowered workforce gives us the flexibility in adapting to

MANAGEMENT DISCUSSION & ANALYSIS

future needs of our business. During the year, we were ranked amongst India's Top 25 Companies to Work for in 2013 for the second consecutive year. In the same study, we were ranked No. 1 in the Real Estate and Construction sector.

NEW BUSINESS OPPORTUNITIES

1. Business Development – Residential

We added 8 new residential projects in high-growth cities during FY2014 and continued our focus on growing the residential project portfolio. The residential segment comprises a significant part of the real estate sector and captures the growth opportunity emerging through India's rapidly growing middle class. Given the brand's deep association with Indian consumers, we can leverage the 'Godrej' brand effectively in the residential space. The current market environment presents an excellent opportunity to conclude value-accretive deals.

During the year, we were ranked amongst India's Top 25 Companies to Work for in 2013 for the second consecutive year.

2. Godrej Group Association

Our association with the Godrej Group helps us gain access to large parcels owned by our Group companies. We have entered into a Memoranda of Understanding with Godrej & Boyce to act as a Project Development Manager for future development on its Vikhroli land parcel. We will earn 10% of the total revenue while all investments other than sales & marketing costs will be borne by Godrej & Boyce. This value accretive deal will generate significant free cash flows.

Godrej Eternia, Chandigarh



3. Redevelopment in Mumbai

Large-scale redevelopment and the process of urban renewal in Mumbai display a significant business opportunity. Redevelopment has the potential of improving the economic competitiveness of Mumbai's prime precincts. The 'Godrej' brand and its association with trust, quality and reliability have a distinct advantage in attracting tenants. Through our 100% subsidiary Godrej Projects Development Private Limited (GPDPL), we are currently executing 6 redevelopment projects in Mumbai aggregating 2.13 million sq.ft. saleable area in the strategic locations of Chembur, Malad, Ghatkopar, Currey Road and Byculla.

THREATS, RISKS AND CONCERNS

1. Industry Cyclicity

The real estate market is inherently a cyclical market and is affected by macro-economic conditions, changes in applicable governmental schemes, changes in supply and demand for projects, availability of consumer financing and illiquidity. Your Company has attempted to hedge against the inherent risks through a business model comprising joint ventures, development manager fee and a pan-India presence. However, any future significant downturn in the industry and the overall investment climate may adversely impact business.

2. Statutory Approvals

The real estate sector in India is heavily regulated by the central, state and local governments. Real estate developers are required to comply with a number of laws and regulations, including policies and procedures established and implemented by local authorities in relation to land acquisition, transfer of property, registration and use of land. These laws often vary from state to state. Several of your Company's projects are in preliminary stages of planning and any delay in obtaining approvals could warrant revised scheduling of project timelines.

OPERATIONAL HIGHLIGHTS OF FY2013-14:

- Registered booking value of INR 2,438 crore despite adverse market conditions. Highest ever sales in a single quarter – Registered booking value of INR 1,066 crore in Q4 FY14
- Added 8 new projects with saleable area of 13.42 million sq. ft. taking GPL's development portfolio to above 100 million sq. ft. for the first time
- Successfully monetized an old commercial project – Godrej Waterside, Kolkata
- Rights Issue of INR 700 crore oversubscribed in a difficult macro-economic environment
- Delivered 624 apartments in Phase-1 of Godrej Garden City, Ahmedabad
- Godrej BKC was the first multi-occupant project in BKC to be awarded the LEED Platinum pre-certification
- Inaugurated Global Indian International School (GIIS) at Godrej Garden City, Ahmedabad

FINANCIAL PERFORMANCE

Despite a challenging business environment, our total income in FY2013-14 increased by 20% to INR 1,254 crore, as compared with INR 1,048 crore in FY2012-13. EBITDA increased by 21% to INR 358 crore from INR 296 crore. Profit After Tax increased by 15% to INR 159 crore as compared to INR 138 crore in the corresponding period last year.

COMPANY OUTLOOK

The current challenging market environment necessitates increased dynamism. GPL is reinforcing the advantages of its differentiated business proposition and competitive strengths by focusing on remaining capital efficient, while simultaneously adding substantial new projects to ensure strong and sustainable growth. Our key areas of focus for new business development will continue to be in the high growth markets of Mumbai, NCR, Bengaluru, Chennai and Pune for FY2015.

DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2014

TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the 29th Directors' Report of your Company along with the audited accounts for the financial year ended March 31, 2014.

1. OPERATING RESULTS:

Certain key aspects of your Company's performance (on a standalone basis) during the financial year ended March 31, 2014, as compared to the previous financial year are summarised below:

	Financial Year 2013 – 2014 (` In Lacs)	Financial Year 2012 – 2013 (` In Lacs)
Profit before Taxation	9,621.37	13,960.52
Tax Expenses	143.80	(1,693.74)
Profit after Taxation	9,765.17	12,266.78
Add: Surplus brought forward	25,346.28	25,682.80
Less: Utilised during the year (Refer Note no. 27 of Financial Statement)	26,370.49	7,719.53
AMOUNT AVAILABLE FOR APPROPRIATION	8,740.96	30,230.05
Appropriations:		
Your Directors recommend appropriations as under:		
Proposed Dividend	3,986.95	3,123.01
Dividend Distribution Tax	677.58	530.76
Transfer to General Reserve	980.00	1230.00
Surplus carried forward	3,096.43	25,346.28
TOTAL APPROPRIATIONS	8,740.96	30,230.05

2. DIVIDEND:

Your Directors recommend for approval of the Members at the ensuing Annual General Meeting for payment of final dividend of ` 2/- per equity share (40%) of nominal value of ` 5/- each for the financial year ended March 31, 2014 (previous year ` 4.00 per equity share of nominal value of ` 10 each). The dividend will be paid in compliance with the applicable rules and regulations.

3. RIGHTS ISSUE OF EQUITY SHARES:

During the year under review, your Company issued and allotted 21,538,388 equity shares of ` 10/- each at a premium of ` 315/- per equity share, aggregating to ` 699.998 crore to the existing equity shareholders of

the Company on a rights basis (the “Rights Issue”). The equity shares allotted pursuant to the Rights Issue were admitted for listing and trading on BSE Limited and the National Stock Exchange of India Limited with effect from September 24, 2013. Your Company shall use the proceeds of the Rights Issue towards prepayment and repayment of existing debt of your Company and its subsidiaries and general corporate purposes.

Your Directors take this opportunity to thank all the shareholders for their overwhelming response and for the confidence reposed by them in the Company.

4. SUB-DIVISION OF EQUITY SHARES AND ALTERATION OF THE MEMORANDUM AND ARTICLES OF ASSOCIATION:

In accordance with the approval of the shareholders of the Company through postal ballot, the results of which were announced on November 11, 2013, the equity share of nominal value of ` 10/- (Rupees Ten only) of the Company was sub-divided into 2 (two) equity shares of nominal value of ` 5/- (Rupees Five only) each on and from November 22, 2013; and the Memorandum of Association and the Articles of Association of the Company were altered pursuant to the sub-division of the equity shares of the Company.

The shareholders with equity shares of nominal value of ` 10/- each of the Company in electronic form received direct credit of sub-divided equity shares of nominal value of ` 5/- each of the Company to their dematerialised account with the depository. The Company issued a new composite share certificate for equity share of nominal value of ` 5 each in place of the old share certificate for shareholders holding equity shares in physical form.

5. OVERVIEW OF OPERATIONS:

Your Company posted a total income of ` 766.56 crore during the year ended March 31, 2014.

Despite the current uncertainties and challenges in the real estate environment, your Company has successfully

demonstrated strong value addition to its development portfolio. In the current fiscal year, your Company has signed 8 new projects adding 13 million sq. ft. of saleable area to its portfolio. The new projects signed are located in Mumbai, the National Capital Region, Pune, Bangalore and Chennai. The projects added are all of substantial size and are in line with your company's long term strategy of focusing on value accretive and risk efficient models.

While real estate supply continues to outpace growth in demand across most cities in the country, your Company achieved its highest ever quarterly sales in the fourth quarter of the fiscal year, driven by successful new launches in Mumbai and Bengaluru.

Your Company launched new projects and phases totalling over 2.82 million square feet in the fiscal year. The highlight of the year was the successful launch of Godrej Central, your Company's first redevelopment project, which registered bookings of over 200 apartments valued at over Rs 400 crore on the day of its launch. Another milestone for your Company was the launch of Godrej United in Bengaluru. The launch was achieved within 12 months of the project being added to your Company's portfolio. Godrej United also witnessed strong uptake in the market, registering sales worth over Rs 100 crore over the span of a few weeks.

With the current challenges facing the Indian economy dampening commercial real estate sales across major cities in the country, your Company registered significant sales in the commercial space, registering sales of close to 800,000 square feet across three projects in Mumbai and Kolkata.

Delivering on its customer commitments, your Company handed over 624 apartments across 13 towers in Godrej Garden City, your Company's first township project. The Global Indian International School at Godrej Garden City, Ahmedabad was also inaugurated in the fiscal year. This is the first school that your Company has built and marks an important milestone for the township.

DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2014

Your company continues to deliver on its vision of being the most trusted name in the real estate industry, and has been recognized as such, winning the 'Best Business Practice in Real Estate' at the National Real Estate Award for Excellence in Real Estate for the year 2012 and the 'Ethical Brand for Real Estate' award by CMO Asia. Your company has intensified its efforts with regards to its customer-centric initiatives, and is continuously incorporating customer feedback in design and specifications, across all its projects. Your Company has made good progress in its customer management and marketing abilities through numerous targeted customer engagement programs and innovative digital campaigns.

Your Company has taken strides towards making itself a design led organization. Your Company continues to build capabilities in its design team and endeavors to work with the best talent, worldwide. Your company's focus of creating extraordinary and imaginative spaces has been recognized internationally - with 'The Trees' winning an 'Honor Award' from the Boston Society of Landscape Architects in the current fiscal year.

Your Company also continues its focus to deliver on its commitments on the sustainability front, aiming for green building certifications for all ongoing and future projects. In the current fiscal year, Godrej BKC received a LEED Platinum Pre-Certification; it is the first building in the prestigious Bandra Kurla Complex in Mumbai that has received the certification. Your company also received the 'Sustainability Award' from the CII for its contribution to green building mission at the GreenCo Summit 2013.

Your company and its projects received 25 awards in the year at the entity and project levels including the 'Best Emerging Developer' at the NDTV Property Awards 2013, the 'Brand Excellence Award' at the Brand Excellence Summit 2013, the 'Master Brand 2013' at the World Brand Congress Summit and the 'Developer of the Year' at the Indian Realty Awards 2013.

In recognition of your Company's endeavor to maintain outstanding employee practices and encourage a collaborative work environment, your Company was

ranked amongst India's Top 25 Companies to Work for in 2013: Ranked #25 in the overall category and Ranked #1 in the Real Estate and Construction Sector in a study conducted by the Great Places to Work Institute and the Economic Times.

6. FUTURE PROSPECTS AND OUTLOOK OF THE COMPANY:

With the real estate markets and customer sentiments closely correlated to the overall growth in the Indian economy, your Company expects that the real estate industry would continue to remain under pressure for the next fiscal year. However, your Company is committed to meet and exceed the expectations of all its stakeholders.

In order to achieve the same, your Company shall continue to build scale through capital efficient business models such as sourcing land under the joint development model and the development manager model. The Company's primary areas of focus for new business development shall be major cities of Mumbai, NCR and Bengaluru while at the same time opportunistically pursuing other key markets. The Company's business development strategy shall be aligned towards less capital intensive Profit Sharing and Development Manager models. Additionally, your Company will focus on sourcing land with large capital requirements in our target geographies under the Residential Co-investment platform with your Company acting as the development manager for these projects and sharing in the equity profits as well.

On the operational front, timeliness of launches and execution shall continue to be a strong focus area for your company. Your Company will continue to improve its project execution capabilities across regions, strengthened through strategic partnerships with leading construction firms. Other focus areas for your company shall be optimizing return on capital and developing crisis and risk management capabilities.

7. FIXED DEPOSITS:

During the financial year ended March 31, 2014, fixed deposits aggregating to ₹ 628.3 Lacs have been

mobilised. The Company has no overdue deposits other than unclaimed deposits. Broadly, Section 73 to 76 of the Companies Act, 2013 (the “2013 Act”) provide that the Company may accept deposits from members and/or public on passing the resolution in General Meeting of the members of the Company. The Company will start accepting deposits after complying with the provisions of Section 73 to 76 of the 2013 Act and the Companies (Acceptance of Deposits) Rules, 2014.

8. DEPOSITORY SYSTEM:

Your Company's equity shares are available for dematerialisation through National Securities Depository Limited and Central Depository Services (India) Limited. As on March 31, 2014, 99.97 % of the equity shares of your Company were held in dematerialised form.

9. CORPORATE GOVERNANCE:

As required by Clause 49 of the Listing Agreements entered into by your Company with BSE Limited and the National Stock Exchange of India Limited, a detailed Report on Corporate Governance together with a report on Management Discussion and Analysis is included in the Annual Report. The Auditors have certified the Company's compliance with the requirements of Corporate Governance in terms of Existing Clause 49 of the Listing Agreement and the same is annexed to the Report on Corporate Governance. Kindly note that the Securities and Exchange Board of India has, vide, its circular dated April 17, 2014 (the “Amendment”), notified various amendments to Existing Clause 49 of the Listing Agreement to align it with the requirements under the 2013 Act. The Amendment is applicable to all listed companies with effect from October 1, 2014 and accordingly, the reference to ‘Existing Clause 49’ herein as well as in the report on Corporate Governance or any other report or document for the financial year 2013-2014 would mean Clause 49 of the Listing Agreement without any reference to the Amendment

10. AWARDS & RECOGNITIONS:

Your Directors take pleasure in informing you that your Company, its people and projects were acknowledged

with the following awards and ratings during the financial year ended March 31, 2014:

Year Key Achievements

- 2013 Won ‘Best Upcoming Township Award’ for Godrej Anandam, Nagpur at the Realty Kings Awards by My FM, Dainik Bhaskar and CREDAI Nagpur
- 2013 GPL won the “Best Business Practice in Real Estate” at the National Real Estate Award for Excellence in Real Estate for the year 2012 by Accommodation Times
- 2013 Mr. Girish Shah won the ‘Thought Leaders Award’
- 2013 GPL won the following awards at the ‘Real Estate Awards’ by ET NOW
 - Popular Choice-Developer of the Year – Residential Category
 - Integrated Township of the year – Godrej Garden City
 - Popular Choice - Innovative Real Estate Marketing Campaign
 - Mr. Girish Shah won ‘Most Talented CMOs’ in the real estate sector
- 2013 Godrej Anandam, Nagpur, won the ‘Best Developer Award’ (Rest of Maharashtra) at the Vasturaviraj Vishwakarma Real Estate Awards
- 2013 Godrej Properties won ‘Best Emerging Developer’ Award at the NDTV Property Awards
- 2013 Godrej Properties receives sustainability award from CII at the GreenCo Summit
- 2013 Godrej Garden City (AHS) received the ‘Best Marketing Campaign’ Award at Paul Writer’s Great India Marketing Summit
- 2013 GPL won ‘Brand Leadership Award’ in the real estate sector at the Brand Leadership Awards
- 2013 Godrej Platinum’ won an award for ‘Luxury Project of the Year’, North Bangalore at the Bangalore Real Estate Awards 2013
- 2013 Godrej Properties was voted amongst India’s Top 10 (Innovative) Builders at the Construction World Architect and Builder (CWAB) Awards 2013
- 2013 Mr. Pirojsha Godrej won ‘Real Estate Person of the Year’ award at the Construction Week Awards 2013
- 2013 Godrej Properties won ‘Real Estate Company of the Year’ Runner up award at the Construction Week Awards 2013

DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2014

2013 Godrej Properties won 'Developer of the Year' award at the Indian Realty Awards 2013

2013 Godrej Properties won 'Brand Excellence Award' at the Brand Excellence Awards 2013

2013 Godrej Properties won 'Master Brand 2013' at the World Brand Congress Summit

2013 Mr. Pirojsha Godrej was selected as 'Person of the year – 2013' at the Sixth GIREM Leadership Awards

2013 Godrej Palm Grove won 'Best mid range housing project of the year' award at the Chennai Real Estate Awards 2013

2013 'Diamond EDGE Winner' for 'Customer Experience Transformation' – InformationWeek

2013 Godrej Properties won "Outstanding Contribution in Real Estate (Residential Project)" award at the EPC World Awards 2013

2013 Godrej Garden City won 'Affordable housing project for the year – West India' at the 6th ESTATE AWARDS 2013-WEST India Edition

2013 Godrej Properties won "Real Estate Developer of The Year (Maharashtra)" award at the Brands Academy Real Estate Awards

2013 Godrej Frontier won the 'Best 50 % Complete Residential Project' under Luxury Segment in NCR Region at the CNBC AWAAZ Real Estate Awards 2013

2014 Godrej Anandam, Nagpur received a 6 Star rating from CRISIL

2014 Godrej Platinum, Kolkata received a 6 Star rating from CRISIL

2014 Godrej Garden City, Ahmedabad, received 'The Best innovative Marketing Campaign' at the Golden Mikes Award for the campaign carried out during the Navratri period

2014 Ethical Brand For Real Estate by CMO Asia

2014 Most Admired Retail Website by Asia Retail Congress

2014 Gold in the category of Online Newsletter for Vibrations by Public Relations Council of India (PRCI)

2014 Silver in the category of In-House Magazine for Storey Times by PRCI

2014 'The Trees' won the international Honour Award from the Boston Society of Landscape Architects

2014 Godrej Platinum won the award for 'Best upcoming project in Bengal' in the CREDAI Bengal Realty Awards 2014

11. EMPLOYEES STOCK OPTION SCHEME:

As required in terms of the Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended, the disclosure relating to Godrej Properties Limited Employee Stock Option Plan ("GPL ESOP"), Godrej Properties Limited Employee Stock Grant Scheme, 2011 ("GPL ESGS") is given in Annexure (Part I) and Annexure A (Part II), respectively.

12. SCHEME OF AMALGAMATIONS:

During the financial year under review, the following Schemes of Amalgamation were approved by the Hon'ble Bombay High Court:

1. Godrej Estate Developers Limited was amalgamated with Godrej Sea View Properties Limited in terms of the Scheme of Amalgamation (the 'Scheme') sanctioned by the Hon'ble Bombay High Court vide its order dated March 7, 2014. The appointed date of the Scheme was December 31, 2013.
2. Godrej Sea View Properties Limited and Godrej Nandhi Hills Project Private Limited were amalgamated with your Company in terms of the Scheme of Amalgamation (the 'Scheme') sanctioned by the Hon'ble Bombay High Court vide its order dated April 11, 2014. The appointed date of the Scheme was January 1, 2014.
3. Godrej Developers Private Limited was amalgamated with Godrej Projects Development Private Limited in terms of the Scheme of Amalgamation (the 'Scheme') sanctioned by the Hon'ble Bombay High Court vide its order dated April 29, 2014. The appointed date of the Scheme was April 1, 2013.

13. SUBSIDIARY COMPANIES:

A. Subsidiaries' Accounts

During the financial year under review, Wonder City Buildcon Private Limited and Godrej Green Homes Limited were incorporated as wholly owned subsidiaries of your Company.

As at March 31, 2014, your Company had 12 subsidiaries (direct and indirect), namely, Godrej Realty Private Limited, Godrej Real Estate Private Limited, Happy Highrises Limited, Godrej Premium Builders Private Limited, Godrej Buildcon Private Limited, Godrej Garden City Properties Private Limited, Godrej Projects Development Private Limited, Godrej Buildwell Private Limited, Godrej Landmark Redevelopers Private Limited, Godrej Redevelopers (Mumbai) Private Limited, Wonder City Buildcon Private Limited and Godrej Green Homes Limited.

Pursuant to the General Circular No. 2/2011 dated February 8, 2011 issued by the Ministry of Corporate Affairs, Government of India, the Board of Directors of your Company have given their consent for not attaching the accounts of all the subsidiaries of your Company along with the Annual Report of your Company. In line with the above circular and as per the Accounting Standard 21 (AS 21) issued by the Institute of Chartered Accountants of India, the Audited Consolidated Financial Statements of your Company along with the Auditors' Report have been annexed to this Annual Report.

The Company shall provide the copy of the annual accounts of its subsidiary companies and the related information to the members of the Company and also to the members of the subsidiary companies on their request. The annual accounts of the subsidiary companies will also be kept open for inspection by any members at the Registered Office of the Company and also at the Registered Office of the respective subsidiary companies during business hours.

During the financial year under review, Godrej Projects Development Private Limited ('GPDPL'), a wholly owned subsidiary company of your Company, entered into

agreements with Shubh Properties Cooperatief U. A, and others (the 'Investors'), for transfer of 49% of the equity share capital of Godrej Redevelopers (Mumbai) Private Limited to the Investors.

During the year under review, pursuant to the agreements entered into by your Company with Shubh Properties Cooperatief U. A, and others (the 'Investors'), your Company has transferred 74.9% of the equity share capital of Wonder Space Properties Private Limited ('WSPPL') to the Investors. WSPPL has ceased to be a subsidiary of the Company post transfer of equity shares by the Company.

B. Limited Liability Partnerships (LLPs)

Your Company is a partner in the following LLPs as of March 31, 2014:

1. Godrej Buildcorp LLP.
2. Godrej Property Developers LLP for the project located at Thane (Mumbai).
3. Godrej Vikhroli Properties LLP for the project located at Vikhroli.
4. Mosiac Landmarks LLP for the project located at Undri, Pune.
5. Dream World Landmarks LLP for the project located at Undri, Pune.
6. Oxford Realty LLP for project located at Keshavnagar, Mundhwa, Pune.
7. SSPDL Green Acres LLP for project located at Chennai

Your Company has also been admitted as a partner in M.S. Ramaiah Ventures LLP for the project at Devanahalli, Bengaluru and Caroa Properties LLP for the project at Panvel.

C. Material Non-Listed Indian Subsidiary

Pursuant to the Existing Clause 49 of the Listing Agreement, if the turnover or net worth (i.e. paid up capital and free reserves) of any unlisted Indian subsidiary company exceeds 20% of the consolidated turnover or net worth respectively of the listed holding company

DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2014

and its subsidiaries in the immediately preceding accounting year; that subsidiary is termed as a 'Material Non-Listed Indian Subsidiary'. There is no material non-listed Indian subsidiary of your Company for the financial year 2013-2014.

14. DIRECTORS:

In accordance with the Articles of Association of the Company and the provisions of the Section 152(6) (e) of the 2013 Act, Mr. Adi B. Godrej and Mr. Nadir B. Godrej will retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Mr. Srinivasan will be appointed as a director liable to retire by rotation in partial modification to resolution no. 8 passed at the 27th Annual General Meeting of the Company held on July 28, 2012.

The Company had, pursuant to the provisions of the clause 49 of the Listing Agreements entered into with Stock Exchange, appointment Mr. Keki B. Dadiseth, Mrs. Lalita D. Gupte, Mr. Pranay Vakil, Dr. Pritam Singh, Mr. Amit Choudhary, Mr. S. Narayan and Mr. Amitava Mukherjee as Independent Directors of the Company. As per section 149(4) of the Companies Act, 2013 (Act), which came into effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as Independent Directors. In accordance with the provisions of section 149 of the Act, these Directors are being appointed as Independent Directors to hold office as per their tenure of appointment mentioned in the Notice of the forthcoming Annual General Meeting (AGM) of the Company.

15. APPOINTMENT OF AUDITORS:

M/s. Kalyaniwalla & Mistry, Chartered Accountants, who are the statutory auditors of the Company, hold office till the conclusion of the forthcoming AGM and are eligible for re-appointment. Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules framed thereunder, it is proposed to appoint M/s. Kalyaniwalla & Mistry as statutory auditors of the Company from the conclusion of the forthcoming AGM till the conclusion of the thirty second AGM to be in the year 2017, subject to ratification of their appointment at every AGM.

Your Company has received a letter from M/s. Kalyaniwalla & Mistry to the effect that their re-appointment, if made, would be under the second and third proviso to Section 139 (1) of the 2013 Act and that they are not disqualified within the meaning of Section 141 of the 2013 Act read with Rule 4(1) of the Companies (Audit and Auditors) Rules, 2014.

17. COST COMPLIANCE REPORT

The Company has filed the Cost Compliance Report for the year 2012-13.

18. BUSINESS RISK MANAGEMENT

Your Company has constituted a committee consisting of key executives of your Company and an independent director to identify and assess business risks and opportunities ('Risk Committee'). The Risk Committee identifies the risks at both enterprise level and at project level.

The business risks identified are reviewed by the Risk Committee and a detailed action plan to mitigate identified risks is drawn up and its implementation monitored.

19. ADDITIONAL INFORMATION

The Ministry of Corporate Affairs (MCA) has vide its General Circular No. 08/2014 dated April 4, 2014, clarified that the financial statements (and documents required to be attached thereto), auditors report and Board report in respect of financial years that commenced earlier than April 1, 2014 shall be governed by the relevant provisions/ Schedules/ rules of the Companies Act, 1956 ('1956 Act'). In view of this, the following information has been provided as per the provisions of the 1956 Act.

- a) In terms of the provisions of Section 219(1)(b)(iv) of the 1956 Act, the Director's Report and Annual Accounts are being sent to all members of the Company, excluding the statement of particulars of the employee under Section 217(2A) of the 1956 Act. In accordance with the provisions of Section 217(2A) of the 1956 Act and the rules framed there under i.e. the Companies (Particulars of

Employees) Rules, 1975, as amended, the names and other particulars of employees as required to be set out in the annexure to the Director's Report is available for inspection at the Registered Office of the Company. Any member interested in obtaining a copy of the same may write to the Company Secretary at the Registered Office of the Company.

- b) Information in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 217(1)(e) of the 1956 Act read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is given in Annexure B.
- c) Your Company has devised proper systems to ensure compliance with all applicable laws.

20. GREEN INITIATIVES IN CORPORATE GOVERNANCE

The MCA has permitted companies to send electronic copies of Annual Report, notices etc., to the e-mail ids of shareholders. We have accordingly arranged to send the soft copies of these documents to the e-mail addresses of the Members, where such details are available with the depositories or the Registrar and Share Transfer Agent of your Company, M/s Karvy Computershare Private Limited. In case any of the shareholders would like to receive physical copies of these documents, the same shall be forwarded on written request to the Registrars and Share Transfer Agents of your Company, M/s. Karvy Computershare Private Limited.

21. DIRECTORS' RESPONSIBILITY STATEMENT:

The MCA has vide its General Circular No. 08/2014 dated April 4, 2014, clarified that the financial statements (and documents required to be attached thereto), auditors report and Board report in respect of financial years that commenced earlier than April 1, 2014 shall be governed by the relevant provisions/ Schedules/ rules of the 1956 Act. In view of this, the following information has been provided as per the provisions of the 1956 Act.

Pursuant to Section 217(2AA) of the 1956 Act, your Directors, based on the representation received from the Management and after due enquiry, confirm for the financial year ended March 31, 2014:

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended March 31, 2014 and of the profits of the Company for that year;
- (iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the 1956 Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors have prepared the annual accounts on a going concern basis.

22. ACKNOWLEDGEMENT:

Your Directors wish to place on record their appreciation and sincere thanks to the state government, government agencies, banks, financial institutions, joint venture partners, customers, shareholders, fixed deposit holders, vendors and other related organisations, who through their continued support and co-operation, have helped, as partners, in your Company's progress. Your Directors also acknowledge the hard work, dedication and commitment of the employees.

**For and on behalf of the Board of Directors
of Godrej Properties Limited**

Place : Mumbai
Date : May 2, 2014

Adi B. Godrej
Chairman

ANNEXURE A (Part I)

Disclosure Relating to Godrej Properties Limited Employees Stock Option Plan (GPL ESOP)

Particulars	Details
Options granted	885, 400
The Pricing formula	Grant Price plus interest at such rate as may be decided from time to time and compoundable on an annual basis, for the period commencing from the date of grant of the Options and ending on March 31, 2012 plus all other expenses as may be incurred by the Company to give effect to the GPL ESOP.
Total options vested	595,400
Options exercised	Nil
Total number of equity shares that would arise as a result of full exercise of options already granted	Nil Since no fresh issue of shares by the Company
Options forfeited/ lapsed/ cancelled	370,000 - will be available for re-issue
Variations in terms of options	Please see Note No. 1
Money realised by exercise of options	Nil
Options outstanding (in force)	515400
Person wise details of options granted to	
i) Directors and key management employees	Please see Note 2 below
ii) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	Nil
iii) Identified employees who are granted options, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil
Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 'Earnings Per Share'.	There is no fresh issue of shares on exercise of option. Therefore, the same is not applicable.
Difference between employee compensation cost using the intrinsic value method and the employee compensation cost that shall have been recognised if the Company has used fair value of options and impact of this difference on profits and EPS of the Company	Nil

Particulars	Details
Weighted average exercise prices and weighted average fair values of options whose exercise price either equals or exceeds or is less than the market price of the stock	Weighted average exercise price is ₹ 310 per share plus interest (post stock split)
Description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option	N.A.
Impact on profits of the last three years and on the EPS of the last three years if the issuer had followed the accounting policies specified in Clause 13 of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended, in respect of options granted in the last three years	Nil

Notes

- The Remuneration Committee by its circular resolution dated April 18, 2012 and the Board of Directors by its circular resolution dated April 20, 2012 have approved the following:
 - Vesting of 120,000 stock options granted under the GPL ESOP to Mr. Milind S. Korde with effect from March 31, 2012; and
 - Extension of exercise period of options vested in Mr. Milind S. Korde, such that the aforesaid vested options can be exercised by Mr. Milind S. Korde within a period of three years from the date of vesting i.e. March 31, 2012.
- Details regarding options granted to our Directors and our Key Management Personnel are set forth below:

Name	Position	Number of options outstanding under GPL ESOP
Mr. K. T. Jithendran	Executive Director	60,000
Mr. Nitin Wagle	Vice President (Operations)	20,000
Mr. Shodhan A. Kembhavi	Vice President (Legal) and Company Secretary	20,000
Mr. Rajendra Khetawat	Executive Vice President (Finance and Accounts)	20,000

- The above figures are after giving effect to the sub-division of equity share of Rs 10 each into 2 equity shares of Rs 5 each.

ANNEXURE A (Part II)

Disclosure relating to Godrej Properties Limited Employee Stock Grant Scheme, 2011 (GPL ESGS)

Particulars	Details
Options granted	3,42,208
Exercise price of options	₹ 5 per equity share (₹ 10 per equity share prior to sub-division)
Total options vested	87,198
Options exercised	83,616
Total number of equity shares that would arise as a result of full exercise of options already granted	3,42,208
Options forfeited/ lapsed/ cancelled	35,234
Variations in terms of options	NA
Money realised by exercise of options	₹ 4,18,080
Options outstanding (in force)	2,23,358
Person wise details of options granted to	
i) Directors and key management employees	Please see Note 1 below
ii) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	Nil
iii) Identified employees who are granted options, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil
Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 'Earnings Per Share'.	₹ 5.28 per share
Difference between employee compensation cost using the intrinsic value method and the employee compensation cost that shall have been recognised if the Company has used fair value of options and impact of this difference on profits and EPS of the Company	Refer Note 32(d) of Financial

Particulars	Details
Weighted average exercise prices and weighted average fair values of options whose exercise price either equals or exceeds or is less than the market price of the stock	<p>Since the shares under ESGS are issued at Face value therefore Face Value of the share is Weighted Average Exercise Price and in this case exercise price is less than the market price of share.</p> <p>Weighted average fair values of options are ` 300.48 per option.</p>
Description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option	<ol style="list-style-type: none"> 1. Method: Black-Scholes Options pricing formula 2. Risk –free interest Rate : 7.38 % - 8.54 % 3. Expected life : 1- 3 years 4. Expected volatility : 27 % - 71 % 5. Expected dividend: 1.5 - 2 per share 6. Weighted Average Market price of the underlying share at the time of grant: ` 308.46 per share
Impact on profits of the last three years and on the EPS of the last three years if the issuer had followed the accounting policies specified in clause 13 of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended, in respect of options granted in the last three years	Refer Note 32(d) of Financial

ANNEXURE A (Part II)

Note:

1. Details regarding options granted to our Directors and our Key Management Personnel are set forth below:

Name	Position	Number of options outstanding under GPL ESGS
Mr. K T Jithendran	Executive Director	64,972
Mr. V Srinivasan	Executive Director	17,014
Mr. Jayanand Potdar	Chief Operating Officer	28,444
Mr. Nitin Wagle	Vice – President (Operations)	5,052
Mr. Shodhan A. Kembhavi	Vice – President (Legal) & Company Secretary	9,086
Mr. Rajendra Khetawat	Executive Vice – President (Finance & Accounts)	9,086
Mr. Sriram Iyer	Executive Vice – President (South Zone)	11,402
Ms. Mamta Bakshi	Executive Vice – President (Chief Customer Officer)	9,086
Mr. Mohit Malhotra	Executive Vice – President (Business Development)	13,952
Mr. Girish Shah	Executive Vice – President (Marketing & Sales)	11,402
Mr. Milind Apte	Executive Vice – President (Human Resources & Administration)	13,952
Mr. Shailesh Joshi	Vice – President (Information Technology)	7,974
Mr. Royden Braganza	Vice – President (Commercial Sales)	4,484
Mr. Rupak Agarwal	Vice- President (Operations), Ahmedabad	7,348
Mr. Rabikant Sharma	Vice- President (Operations), Mumbai Region	4,318
Mr. Anubhav Gupta	Executive Vice-President	5,786

The above figures are after giving effect to the sub-division of equity share of Rs 10 each into 2 equity shares of Rs 5 each.

INFORMATION PURSUANT TO SECTION 217(1)(e) OF THE COMPANIES ACT, 1956, READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988 IN RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. CONSERVATION OF ENERGY

I. (A) Energy Conservation measures undertaken:

Godrej Properties Limited ('GPL' or the 'Company') constantly endeavors to achieve energy conservation by adopting green building practices certified by the Indian Green Building Council ('IGBC'). As an internal mandate each project strives to achieve the minimum level of certification under the relevant rating system specified by IGBC. From the Project inception stage, through design and execution, to post-occupancy we constantly work with internal and external team members to meet the Energy Performance Index benchmarks set by BEE and TERI. The following best practices are in place to achieve this objective

1. Comprehensive Energy modeling during the design stage to realize energy conservation while meeting the functional requirements for both residential and commercial projects.
2. Building envelope design and material selection using passive cooling techniques where possible.
3. Use of high efficiency glazing that cuts down heat ingress while maintaining optimum day lighting and noise levels.
4. Use of high energy efficiency equipments – e.g. Elevators, water pumps, STP.
5. Solar PV lighting in external common areas in several projects to reduce dependence on fossil fuels.
6. Effective preventive and predictive maintenance system for maintaining all energy intensive equipment i.e., DG sets for energy generation, cranes, hoists, loaders, excavators, trucks and other transport vehicles.

7. Installation of energy efficient chillers with partial loading.
8. EPI has been benchmarked for internal and external space for residential as well as conditioned and unconditioned space for commercial.
9. Encouraging occupants to lead a greener lifestyle by using high efficiency ACs and refrigerators (BEE 5 star rated) through a formal handover event.

(B) Proposed energy conservation measures:

Renewable energy for all projects to be increased to $\geq 1\%$ from the current 0.52% to reduce grid sourced energy. This translates to mitigating 730.802 metric tonnes annually, for the benchmarked 10 projects.

II. Impact of measures on reduction of energy consumption and consequent impact on the cost of production of goods:

Saving in energy costs during the period under consideration.

B. TECHNOLOGY ABSORPTION

Research and Development (R &D)

I. Specific areas in which R & D was carried out by the company

(a) Technical Initiatives:

- Deployment of machines to substitute partly or fully manual work.
- Use of pre-fabrication fully or partly at site to increase reliability.
- The improvement of existing or the development/ deployment of new construction

technologies to speed up the process and make construction more efficient.

- Researching the market for new machines, materials and developing methodologies for their effective use in our project sites.
- Solar technologies for common area, parking and street lighting.
- Solar water heating for residential buildings.
- LEDs for common area lighting.
- LEDs for use in GPL office buildings.

(b) Process Initiatives:

- The organization of the work with the help of scheduling, structuring of work force in tandem with job descriptions and closing time gaps to ensure efficiency
- In depth planning of construction activities/ procedures which in turn will result in stable levels of quality, shorter time lines and reduced consumptions of man and material at site.
- Standardization of building elements and parts, introducing rules and regulations based on national and international standards and internal classifications.
- The usage of special sub-contractors/ consultants to realize tasks efficiently.
- Benchmarked Energy Performance Index, i.e. Annual energy consumption per square meters of built up area for pilot project and for GPL administrative offices

II. Benefits derived as a results of the above R & D efforts -

Renewable energy for all projects to be increased to $\geq 1\%$ from the current 0.52% to reduce grid sourced energy.

III. Future Plan of Action:

Engage with new technology vendors to meet energy efficiency requirements requiring lower capital expenditure.

IV. Expenditure on R & D: N.A

Technology absorption, adaptation and innovation:-

1. Effort, in brief, made towards technology absorption, adaptation and innovation: Nil
2. Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc. The above efforts helped in cost reduction, customer satisfaction and top line and bottom line improvements. N.A
3. Imported Technology:
The Company has not imported any technology since incorporation.

C. Foreign Exchange earnings and outgo:

During the financial year 2013-14, expenditure in foreign currencies amounted to ₹ 651.21 Lacs (Previous Year ₹ 253 Lacs) on account of professional & consultation fees and expenses incurred for business promotion. The Company has not earned any foreign exchange during the year.

REPORT ON CORPORATE GOVERNANCE

THE COMPANY'S PHILOSOPHY ON GOVERNANCE

Your Company believes that corporate governance is a key element in improving efficiency and growth as well as enhancing investor confidence.

In order to promote good governance, the Company follows the best practices, processes and policies based on conscience, openness, fairness, professionalism and accountability. These policies seek to focus on enhancement of long term shareholder value without compromising on ethical standards and corporate social responsibilities.

The corporate governance framework of your Company is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law. We believe that an active, well informed and independent board is necessary to ensure the highest standards of corporate governance.

The operations of the Company are managed under the directions of the Board within the framework set by the Companies Act, 1956 (the "1956 Act") as amended (without reference to the provisions thereof that have ceased to have effect upon notification of sections of the Companies Act, 2013 (the "2013 Act")) and the 2013 Act (collectively, the "Companies Act"), the Listing Agreement with the BSE Limited and the National Stock Exchange of India Limited and the Articles of Association of the Company. Kindly note that the Securities and Exchange Board of India has, vide, its circular dated April 17, 2014 (the "Amendment"), notified various amendments to Existing Clause 49 of the Listing Agreement to align it with the requirements under the 2013 Act. Whilst

the Amendment is applicable to all listed companies with effect from October 1, 2014, your Company has initiated certain actions towards implementation of the Amendment. Accordingly, except in Para 2A and 2B wherein reference to the term 'Amended Clause 49' would mean Clause 49 amended as aforesaid reference to 'Existing Clause 49 or Clause 49' herein or in any other report or document for the financial year 2013-2014 would mean Clause 49 of the Listing Agreement without any reference to the Amendment.

The Directors present below the Company's policies and practices on corporate governance.

THE GOVERNANCE STRUCTURE

1) BOARD OF DIRECTORS

a) Board Structure

The policy of the Company is to induct an appropriate combination of executive, non-executive and independent directors to maintain the independence of the Board from the management. As of March 31, 2014, the Board of Directors of the Company consisted of 14 (fourteen) Directors, which included 1 (one) Managing Director & Chief Executive Officer, 2 (two) Executive Directors and 11 (eleven) Non-Executive Directors, with 7 (seven) of such Non-Executive Directors being Independent Directors.

Except as disclosed below, no Director of the Company is related to any other Director on the Board in terms of the meaning of the term 'relative' given under the 1956 Act:

- i. Mr. Adi. B. Godrej is the brother of Mr. Nadir B. Godrej;

REPORT ON CORPORATE GOVERNANCE

- ii. Mr. Adi. B. Godrej is husband of Mrs. Parmeshwar A. Godrej; and
- iii. Mr. Pirojsha Godrej is the son of Mr. Adi B. Godrej and Mrs. Parmeshwar A. Godrej.

The details of the Board of the Company and number of meetings attended by each Director are given in Table 1 below:

Table 1: Details about the Company's Directors and meetings attended by the Directors during the Financial Year 2013-14

Name of Director	Category	Board Meetings held during the Financial Year 2013-2014	Board Meetings attended during the Financial Year 2013-2014	Whether attended last AGM (held on July 27, 2013)	Directorships held in public companies incorporated in India as at March 31, 2014(i)(ii) (Including GPL)	Number of Chairmanships/ Memberships in Board Committees as at March 31, 2014 (Including GPL)	
						Chairmanship (excluding Memberships of Committees)	Memberships
Mr. Adi B. Godrej	Chairman – Non-Executive	4	4	Yes	6(3)	2	1
Mr. Jamshyd N. Godrej	Non-Executive Director	4	1	Yes	8(5)	1	2
Mr. Nadir B. Godrej	Non-Executive Director	4	4	Yes	12(6)	1	1
Mrs. Parmeshwar A. Godrej	Non-Executive Director	4	3	No	1(1)	-	-
Mr. Pirojsha Godrej	Managing Director & CEO	4	4	Yes	2(1)	-	1
Mr. Amit B. Choudhury	Independent Director	4	4	Yes	5(3)	-	4
Mr. Keki B. Dadiseth	Independent Director	4	4	Yes	9(6)	3	3
Mrs. Lalita D. Gupte	Independent Director	4	4	Yes	5(4)	1	3
Mr. Pranay D. Vakil	Independent Director	4	4	Yes	4(3)	-	2
Dr. Pritam Singh	Independent Director	4	3	Yes	3(3)	1	2
Mr. S. Narayan	Independent Director	4	2	No	6(5)	-	4
Mr. Amitava Mukherjee	Independent Director	4	4	Yes	2(2)	-	2
Mr. K. T. Jithendran	Executive Director	4	4	Yes	2(1)	-	-
Mr. V. Srinivasan	Executive Director	4	4	Yes	3(1)	-	-

Notes:

- (i) Alternate directorships and directorships in private companies, companies incorporated under Section 25 of the 1956 Act and foreign companies are excluded.
- (ii) Figures in () denote listed companies.

As required under Existing Clause 49 of the Listing Agreement, none of the Directors are: (i) member of more than 10 (ten) committees; and (ii) chairman of more than 5 (five) committees. In terms of explanations to Existing Clause 49(1)(C)(2) of the Listing Agreement, chairmanship or membership of the 'Audit Committee' and the 'Shareholders/ Investors Grievance Committee' (Stakeholders Relationship Committee under the 2013 Act) of Indian public limited companies has been considered for the aforesaid purpose.

b) Board meetings held and Directors' attendance record

The Board meets at least once in a quarter to consider, among other business, the quarterly performance and financial results of the Company. To enable the Board to discharge its responsibilities effectively and take informed decisions, necessary information is made available to the Board. The details of Board meetings held during the financial year 2013-2014 and Directors' attendance record are given in Table 2.

Table 2: The details of meetings of the Board held during the financial year 2013-2014 are as under:

Date on which Board Meeting was held	Total strength of the Board on the date of Meeting	No. of Directors present at the Board Meeting
May 9, 2013	14	13
July 27, 2013	14	12
October 30, 2013	14	11
January 29, 2014	14	13

c) Information supplied to the Board

The information provided to the Board includes:

- Annual operating plans and budgets, capital budgets and any updates thereon;
- Quarterly results of the Company;
- Minutes of meetings of Audit Committee and other Committees of the Board;
- Information on recruitment and remuneration of senior officers just below the Board level;
- Materially important show cause, demand, prosecution and penalty notices;
- Fatal or serious accidents or dangerous occurrences;
- Any materially significant effluent or pollution problems;
- Any materially relevant default in financial obligations to and by the Company;
- Any issue which involves possible public or product liability claims of a substantial nature;
- Details of any joint venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- Any significant labour problems and their proposed solutions;
- Any significant development in human resources;
- Updates on Regulatory changes and impact on the company/its operations;
- Sale of material nature of investments, subsidiaries, assets, which is not in the normal course of business;
- Quarterly details of foreign exchange exposure and the steps taken by management to limit the risks of adverse exchange rate movement; and

- Non-compliance of any regulatory, statutory nature or listing requirements as well as shareholder services such as non-payment of dividend and delays in share transfer.

The Board of the Company is presented with all information under the above heads, whenever applicable. These are submitted either as part of the agenda papers well in advance of the Board meetings, or are tabled in the course of the Board meetings.

d) Directors with materially significant related party transactions, pecuniary or business relationship with the Company

Except for drawing remuneration, none of the Directors have any other materially significant related party transactions, pecuniary or business relationship with the Company. The Company enters into transactions in the ordinary course of business with the companies in which the Directors hold directorship. Attention of the Members is drawn to the disclosures of transactions with related parties set out in Notes to Accounts Note No. 37 of Standalone Financial Results, forming part of the Annual Report.

e) Remuneration of Directors: sitting fees, salary, perquisites and commissions and number of equity shares held by the Non-Executive Directors.

The Company pays to its Non-Executive Directors sitting fees of ` 20,000/- (Rupees twenty thousand only) for every meeting of its Board and ` 5,000/- (Rupees five thousand only) for attending every meeting of the Audit Committee and the Nomination & Remuneration Committee.

REPORT ON CORPORATE GOVERNANCE

Pursuant to the provisions of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors at their meeting held on May 2, 2014 approved to pay the revised sitting fees w.e.f. May 2, 2014 of Rs. 1,00,000/- to the Non- Executive Directors for attending each meeting of the Board of Directors and Rs. 20,000/- to the Non-Executive Directors for attending each meeting of the Audit Committee and the Nomination & Remuneration Committee of the Board of Directors of the Company.

At the Extraordinary General Meeting held on October 19, 2012, the Members' of the Company have empowered the Board of Directors to determine, from time to time, the commission payable to each Non-Executive Director, provided such commission plus service tax at applicable rates or any other taxes, duties or levy, by whatever name called, that may be applicable at a future date, in aggregate shall not exceed 1% of the net

profits of the Company for that year, computed in the manner provided in Section 349 and 350 of the 1956 Act. The above approval is for a period of 5 (five) years from April 1, 2011 till March 31, 2016.

The remuneration to the Managing Director & Chief Executive Officer and the Executive Director(s) is based on the Company's size, industry practice and overall performance of the Company. The Nomination & Remuneration Committee submits its recommendation to the Board, which after consideration of the recommendation approves the remuneration payable to the Managing Director & Chief Executive Officer and the Executive Director(s) (which also includes the annual increments and performance bonus) within the overall limits prescribed under the 1956 Act subject to the approval of the Members, wherever required.

The details of remuneration package of the Directors and their relationships with each other, if any, are given in Table 3 below:

Table 3: Remuneration paid or payable to the Directors during the Financial Year ended March 31, 2014

(Amount in `)

Name of Director	Relationship with other Directors	Sitting fees	Commission*	Salary	Perquisites	Provident Fund	Others	Total
Mr. Adi B. Godrej	Brother of Mr. Nadir B. Godrej	80,000	650,000	Nil	Nil	Nil	Nil	730,000**
	Father of Mr. Pirojsha Godrej & spouse of Mrs. Parmeshwar A. Godrej							
Mr. Jamshyd N. Godrej	-	20,000	650,000	Nil	Nil	Nil	Nil	670,000**
Mr. Nadir B. Godrej	Brother of Mr. Adi B. Godrej	80,000	650,000	Nil	Nil	Nil	Nil	730,000**
Mrs. Parmeshwar A. Godrej	Wife of Mr. Adi B. Godrej and mother of Mr. Pirojsha Godrej	60,000	650,000	Nil	Nil	Nil	Nil	710,000**
Mr. Amit B. Chodhury	-	110,000	650,000	Nil	Nil	Nil	Nil	760,000**
Mr. Keki. B. Dadiseth	-	110,000	650,000	Nil	Nil	Nil	Nil	760,000**
Mrs. Lalita D. Gupte	-	110,000	650,000	Nil	Nil	Nil	Nil	760,000**
Mr. Pranay D. Vakil	-	110,000	650,000	Nil	Nil	Nil	Nil	760,000**
Dr. Pritam Singh	-	80,000	650,000	Nil	Nil	Nil	Nil	730,000**
Mr. S. Narayan	-	55,000	650,000	Nil	Nil	Nil	Nil	705,000**
Mr. Amitava Mukherjee	-	110,000	650,000	Nil	Nil	Nil	Nil	760,000**
Mr. Pirojsha Godrej	Son of Mr. Adi B. Godrej and Mrs. Parmeshwar A. Godrej	-	-	10,832,000	14,102,458	645,120	4,200,000***	29,779,578
Mr. K.T. Jithendran	-	-	-	17,122,028	14,396,448	813,780	4,600,000***	36,932,256
Mr. V. Srinivasan	-	-	-	9,093,888	4,448,148	459,648	2,800,000***	16,801,684

Notes:

* Commission for the Financial Year 2013-14 is payable in the Financial Year 2014-15.

** Under the Finance Act, 1994, as amended, service tax (along with education cess and secondary & higher education cess) was also paid under reverse charge mechanism by the Company.

*** It includes provision made for the Performance Bonus for the financial year 2013-14.

The service contracts of the Managing Director & Chief Executive Officer and the Executive Directors of your Company are for a period of three years, with a notice period of three months.

The details of number of equity shares held and dividend paid to each of the Directors are given in Table 4 below:

Table 4: Number of equity shares held by each of the Directors, options held and dividend paid

Name of Director	Equity Shares held as on March 31, 2014	Dividend paid during the Financial Year 2013-14 (in `)	Number of options held Under	
			GPL ESOP	GPL ESGS
Mr. Adi B Godrej	-	-	-	-
Mr. Nadir B. Godrej	39,86,430	62,49,000	-	-
Mr. Jamshyd N. Godrej	-	-	-	-
Mrs. Parmeshwar A. Godrej	-	-	-	-
Mr. Amit B. Choudhury	3,850	6,000	-	-
Mr. Keki B. Dadiseth	-	-	-	-
Mrs. Lalita D. Gupte	14,000	28,000	-	-
Mr. Pranay D Vakil	20,412	32,000	-	-
Dr. Pritam Singh	2,000	4,000	-	-
Mr. S. Narayan	-	-	-	-
Mr. Amitava Mukherjee	-	-	-	-
Mr. Pirojsha Godrej	13,28,802	20,82,988	-	-
Mr. K.T. Jithendran	53,688	84,524	60,000*	64,972*
Mr. V. Srinivasan	10,258	2400	-	17,014*

*Pursuant to sub-division of equity share of ` 10/- each into 2 (two) equity shares of ` 5/- each, the No. of outstanding options under GPL ESOP & GPL ESGS have been adjusted to that effect.

2) COMMITTEES OF THE BOARD

A. AUDIT COMMITTEE

The Company's Audit Committee comprises the following 7 (seven) Independent Directors:

- (a) Mr. Keki B. Dadiseth (Chairman);
- (b) Mrs. Lalita D. Gupte;
- (c) Mr. Amit B. Choudhury;
- (d) Mr. Pranay D. Vakil;

(e) Dr. Pritam Singh;

(f) Mr. S. Narayan; and

(g) Mr. Amitava Mukherjee.

The composition of the Audit Committee is in compliance with the requirements of Section 292A of the 1956 Act, Section 177 of the 2013 Act and Amended Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

REPORT ON CORPORATE GOVERNANCE

All the members of the Audit Committee are eminent professionals and draw upon their experience and expertise across a wide spectrum of functional areas such as finance and corporate strategy. The Chairman of the Audit Committee was present at the Annual General Meeting to answer Members' queries. Minutes of each of the meeting of the Audit Committee are placed before the Board in its meetings. The representatives of the Statutory Auditors are invited to attend meetings of the Audit Committee. The Audit Committee also invites executives of the Company viz., Managing Director & Chief Executive Officer, Head (Finance), Head (Internal Audit), as it considers appropriate, to be present at the meetings. Mr. Shodhan A. Kembhavi, Vice-President (Legal) & Company Secretary acts as the Secretary to the Audit Committee. The Audit Committee met 4 (four) times during the financial year ended March 31, 2014, i.e. on May 9, 2013, July 27, 2013, October 30, 2013, and January 29, 2014. Table 5 below gives the attendance record for the aforesaid meetings of the Audit Committee:

Table 5: Attendance record of Audit Committee members

Name of Director	No. of meetings held during the financial year ended March 31, 2014	No. of meetings attended during the financial year ended March 31, 2014
Mr. Keki B. Dadiseth	4	4
Mrs. Lalita D. Gupte	4	4
Mr. Amit B. Choudhury	4	4
Mr. Pranay D. Vakil	4	4
Dr. Pritam Singh	4	3
Mr. S. Narayan	4	2
Mr. Amitava Mukherjee	4	4

The Audit Committee of the Company performs the following functions:

1. Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of the 1956 Act,
 - b. Changes, if any, in accounting policies and practices and reasons for the same,
 - c. Major accounting entries involving estimates based on the exercise of judgment by management,
 - d. Significant adjustments made in the financial statements arising out of audit findings,
 - e. Compliance with listing and other legal requirements relating to financial statements,
 - f. Disclosure of any related party transactions, and
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.

8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
9. Discussion with internal auditors any significant findings and follow up there on.
10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
12. To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
13. To review the functioning of the Whistle Blower mechanism, in case the same is existing including operating of the vigil mechanism system for directors and employees of the Company in accordance with Section 177 of the 2013 Act.
14. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
15. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Review of information by Audit Committee

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / any letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control;

5. The appointment, removal and terms of remuneration of the Chief Internal Auditor.
6. Approval or any subsequent modification of transactions of the company with related parties;
7. Scrutiny of inter-corporate loans and investments.
8. Valuation of undertakings or assets of the company, wherever it is necessary; and
9. Evaluation of internal financial controls and risk management systems.

B. NOMINATION & REMUNERATION COMMITTEE

The Remuneration Committee constituted by the Board was renamed as the Nomination & Remuneration Committee on January 29, 2014 and its scope enhanced to align it with the scope and powers as set out in Section 178 of the 2013 Act and Amended Clause 49 of the Listing Agreement.

The Nomination & Remuneration Committee looks at all matters pertaining to the appointment and remuneration of the Managing Director & Chief Executive Officer, the Executive Directors, Key Managerial Personnel and administration of the employee stock option schemes of the Company i.e. the Godrej Properties Limited Employee Stock Option Plan and the Godrej Properties Limited Employee Stock Grant Scheme, 2011.

The Nomination & Remuneration Committee consists of the following seven Independent Directors:

- (a) Mrs. Lalita D. Gupte (Chairperson);
- (b) Mr. Keki B. Dadiseth;
- (c) Mr. Amit B. Choudhury;
- (d) Mr. Pranay D. Vakil;
- (e) Dr. Pritam Singh;
- (f) Mr. S. Narayan; and
- (g) Mr. Amitava Mukherjee.

During the financial year ended March 31, 2014, the Committee met 2 (two) times, i.e. on May 9, 2013 and October 30, 2013. The attendance details are given in Table 6 below:

REPORT ON CORPORATE GOVERNANCE

Table 6: Attendance record of Nomination & Remuneration Committee members

Name of Director	No. of meetings held	Meetings attended
Mrs. Lalita D. Gupte	2	2
Mr. Keki B. Dadiseth	2	2
Mr. Amit B. Choudhury	2	2
Mr. Pranay D. Vakil	2	2
Dr. Pritam Singh	2	1
Mr. S. Narayan	2	1
Mr. Amitava Mukherjee	2	2

Mr. Shodhan A. Kembhavi, Vice-President (Legal) & Company Secretary acts as the Secretary of the Nomination & Remuneration Committee.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Investors' Grievance cum Share Transfer Committee constituted by the Board was renamed as the Stakeholders Relationship Committee on January 29, 2014 and its scope enhanced to align it with the scope and powers as set out in Section 178 of the 2013 Act.

The members of the Stakeholders Relationship Committee are:

- Mr. Adi B. Godrej, Non-Executive Chairman;
- Mr. Pirojsha Godrej, Managing Director & Chief Executive Officer; and
- Mr. Amit B. Choudhury, Independent Director.

Mr. Shodhan A. Kembhavi, Vice President (Legal) & Company Secretary, is the secretary of the Stakeholders Relationship Committee.

The Stakeholders Relationship Committee, looks into redressal of the grievances of Security Holders viz., shareholders' and fixed deposit holders including investors' complaints relating to transfer of shares, issue of duplicate/consolidated share certificates, allotment and listing of shares, review of cases for refusal of transfer/transmission of shares and debentures, non-

receipt of balance sheet, non-receipt of dividends declared. It is also responsible for reviewing the process and mechanism of redressal of investor complaints and suggesting measures of improving the existing system of redressal of investor grievances. This Committee is also responsible for approval of transfer of shares, including power to delegate the same to the Registrar and Transfer Agents.

Name and Designation of Compliance Officer:

Mr. Shodhan A. Kembhavi
Vice President (Legal) & Company Secretary

Number of complaints for the financial year ended March 31, 2014:

Complaints outstanding as on April 1, 2013	0
Complaints received during the financial year ended March 31, 2014	5
Complaints resolved during the financial year ended March 31, 2014	5
Complaints outstanding as on March 31, 2014	0

There are no pending share transfers as on March 31, 2014.

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board of Directors of the Company at its meeting held on January 29, 2014 has constituted a Corporate Social Responsibility Committee of the Board (CSR Committee) consisting of the following members:

- Mr. Amit Choudhury, Independent Director
- Mr. Pirojsha Godrej, Managing Director and Chief Executive Officer
- Mr. K.T. Jithendran, Executive Director and
- Mr. V. Srinivasan, Executive Director

The Role and Responsibilities of the CSR Committee includes the following:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall include the activities to be undertaken by the Company as envisaged in the 2013 Act.

- 2) To recommend to the Board the amount of expenditure to be incurred on the activities as per the Corporate Social Responsibility Policy of the Company.
- 3) To monitor the projects and activities as per the Corporate Social Responsibility Policy of the Company.

3) SUBSIDIARY COMPANIES

The Company does not have any material non-listed Indian subsidiary company as of March 31, 2014 and hence, it is not required to appoint an Independent Director of the Company on the Board of any of its non-listed Indian subsidiary.

The financial statements of the subsidiaries are reviewed by the Audit Committee of the Company. Further, the minutes of the meetings of Board of Directors of the subsidiary companies are also placed before the Board of Directors of the Company.

4) MANAGEMENT

- i) Management Discussion and Analysis

A detailed chapter on Management Discussion and Analysis has been separately included in the Annual Report.

- ii) Disclosures by Management to the Board

All details relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board, and the interested Directors neither participate in the discussion, nor do they vote on such matters.

5) DISCLOSURES

- i) **Materially significant related party transaction that may have potential conflict of interest of Company at large.**

During the financial year 2013-2014, there were no materially significant related party transactions, i.e. transactions of the Company of material nature, with

its Promoters, the Directors or the Management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. Attention of Members is drawn to the disclosures of transactions with related parties set out in Notes to Accounts – Note No. 37 forming part of the Stand-alone financial results.

ii) Whistle Blower Policy

With a view to establish a mechanism for protecting the employees reporting unethical behavior, fraud, violation of Company's Code of Conduct, the Board of Directors has, at its meeting held on May 17, 2010, adopted a Whistle Blower Policy.

The Board of Directors of the Company at its meeting held on January 29, 2014 has enhanced the scope of Audit Committee to operate the vigil mechanism system for directors and employees of the Company in accordance with Section 177 of the 2013 Act.

During the financial year 2013-2014, no person has been denied access to the Audit Committee.

iii) Policy to prevent sexual harassment at the work-place

The Company is committed to creating and maintaining an atmosphere in which employees can work together, without fear of sexual harassment, exploitation or intimidation. Every employee is made aware that the company is strongly opposed to sexual harassment and that such behavior is prohibited both by law and by the Godrej group. To redress complaints of sexual harassment, an Internal Complaints Committee of Godrej Properties Limited has been formed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. Ms. Mamta Bakshi is the Chairperson of the Committee and Ms. Nisaba Godrej acts as a representative of Godrej Group along with other four Committee members viz Mr Sumit Mitra, Ms Swati Patwardhan and Ms Neera Nundy, Co-Founder of Dasra.

REPORT ON CORPORATE GOVERNANCE

iv) Details of compliance with mandatory requirements under Existing Clause 49 of the Listing Agreement

Particulars	Clause of Listing Agreement	Compliance Status Yes / No
I. Board of Directors	49 I	
(A) Composition of Board	49 I(A)	Yes
(B) Non-executive Directors' compensation & disclosures	49 I(B)	Yes
(C) Other provisions as to Board and Committees	49 I(C)	Yes
(D) Code of Conduct	49 I(D)	Yes
II. Audit Committee	49 II	
(A) Qualified & Independent Audit Committee	49 II(A)	Yes
(B) Meeting of Audit Committee	49 II(B)	Yes
(C) Powers of Audit Committee	49 II(C)	Yes
(D) Role of Audit Committee	49 II(D)	Yes
(E) Review of Information by Audit Committee	49 II(E)	Yes
III. Subsidiary Companies	49 III	Yes
IV. Disclosures	49 IV	
(A) Basis of related party transactions	49 IV(A)	Yes
(B) Disclosure of accounting treatment	49 IV(B)	Yes
(C) Board disclosures – risk management	49 IV(C)	Yes
(D) Proceeds from public issues, rights issues, preferential issues etc.	49 IV(D)	Yes
(E) Remuneration of Directors	49 IV(E)	Yes
(F) Management	49 IV(F)	Yes
(G) Shareholders	49 IV(G)	Yes
V. CEO/CFO Certification	49 V	Yes
VI. Report on Corporate Governance	49 VI	Yes
VII. Compliance	49 VII	Yes

Pursuant to Clause 47(c) of the Listing Agreement, certificates on half yearly basis, have been issued by a qualified practicing Company Secretary for due compliance of share transfer formalities by the Company.

A qualified practicing Company Secretary has carried out secretarial audit, on quarterly basis, to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Limited and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form.

v) Details of Non-compliance

There has not been any non-compliance by the Company, and no penalties or strictures were imposed on the Company by BSE Limited, the National Stock Exchange of India Limited, the Securities and Exchange Board of India or any statutory authority, in relation to any matter related to capital markets, during last three years.

vi) Declaration by the Managing Director

A declaration by the Managing Director stating that all the Board Members and senior management personnel have affirmed their compliance with the Code of Conduct for the financial year ended March 31, 2014, is annexed to the Corporate Governance Report.

6) GENERAL BODY MEETINGS

i) Details of last three Annual General Meetings of the Company

Financial year	Venue	Date	Time
2010-11	Y. B. Chavan Pratishthan, Gen. Jagannathrao Bhonsle Marg, Nariman Point, Mumbai 400 021	July 22, 2011	3.30 P.M.
2011-12	Y. B. Chavan Pratishthan, Gen. Jagannathrao Bhonsle Marg, Nariman Point, Mumbai 400 021	July 28, 2012	3.30 P.M.
2012-13	Y. B. Chavan Pratishthan, Gen. Jagannathrao Bhonsle Marg, Nariman Point, Mumbai 400 021	July 27, 2013	2.00 P.M.

ii) Details of special resolutions passed in previous three Annual General Meetings of the Company

Date of AGM	Number of Special Resolutions passed	Details of Special Resolutions Passed
July 22, 2011	-	-
July 28, 2012	3	<ol style="list-style-type: none">1) To approve appointment and payment of remuneration of Mr. Pirojsha Godrej as the Managing Director and Chief Executive Officer of the Company, for a period of three years with effect from April 1, 2012.2) To approve appointment and payment of remuneration of Mr. V. Srinivasan, as an Executive Director of the Company, for a period of three years with effect from April 1, 2012.3) To approve revision in the remuneration of Mr. K. T. Jithendran, Executive Director of the Company, with effect from April 1, 2012.
July 27, 2013	3	<ol style="list-style-type: none">1) To approve re-appointment of Mr. K. T. Jithendran as the Executive Director of the Company with effect from May 17, 2013, on a revised remuneration effective from April 1, 2013.2) To approve revision in the remuneration of Mr. Pirojsha Godrej, Managing Director & Chief Executive Officer of the Company, with effect from April 1, 2013.3) To approve revision in the remuneration of Mr. V. Srinivasan, Executive Director of the Company, with effect from April 1, 2013.

iii) Details of special resolutions passed at the Extraordinary General Meeting held during the year - NIL

REPORT ON CORPORATE GOVERNANCE

iv) Postal Ballot

During the financial year 2013-2014, pursuant to the provisions of Section 192A of the 1956 Act read with the Companies (Passing of the Resolution by Postal Ballot) Rules 2011, certain resolutions were passed by the Members through Postal Ballot. The Notice of the Postal Ballot dated March 8, 2013, March 23, 2013, May 9, 2013, September 27, 2013 and January 29, 2014 was sent to all the shareholders of the Company along with a self-addressed postage prepaid business reply envelope to the Members whose email id is not registered with the Company and sent the respective Notice of Postal Ballots through email along with the details of Login ID & Password to the Members whose email id is registered with the Company. For all the above referred Postal Ballots Mr. S. Anand S.S. Rao, a Practicing Company Secretary was appointed as the Scrutinizer, who had submitted his respective reports to Mr. Pirojsha Godrej, Managing Director & CEO of the Company. The details of the Postal Ballots conducted during the financial year 2013-2014, results of which were announced are provided herein below:

Sr. No.	Date of announcement of results	Item	Total No. of valid votes polled	No. of votes in favour %	No. of votes against %
1	April 18, 2013	Special resolution under Section 372A of the Companies Act, 1956 to make investment in Dream World Landmarks LLP, for an amount not exceeding ` 80 Crores.	523	98.04	1.96
2	May 6, 2013*	Ordinary resolution under Section 94 of the Companies Act, 1956 to sub-divide equity share of ` 10/- each into 2 (two) equity shares of ` 5/- each.	511	99.95	0.05
		Ordinary resolution under Section 16 of the Companies Act, 1956 to alter the Memorandum of Association of the Company.	511	99.95	0.05
		Special resolution under Section 31 of the Companies Act, 1956 to alter the Articles of Association of the Company.	511	99.95	0.05
3	June 17, 2013	Special resolution under Section 372A of the Companies Act, 1956 to make additional investment upto ` 75 Crore in Godrej Sea View Properties Private Limited, with an aggregating amount not exceeding ` 225 Crore.	455	97.17	2.83
		Special resolution under Section 372A of the Companies Act, 1956 to make additional investment upto ` 75 Crore in Godrej Estate Developers Private Limited, with an aggregating amount not exceeding ` 275 Crore.	455	97.17	2.83
		Special resolution under Section 372A of the Companies Act, 1956 to make additional investment upto ` 50 Crore in Godrej Buildwell Private Limited, with an aggregating amount not exceeding ` 200 Crore.	454	97.17	2.83
		Special resolution to amend certain provisions of Godrej Properties Limited Employees Stock Option Plan.	453	97.17	2.83
4	November 11, 2013	Ordinary resolution under Section 94 of the Companies Act, 1956 to sub-divide equity share of ` 10/- each into 2 (two) equity shares of ` 5/- each.	558	99.999	0.001

Sr. No.	Date of announcement of results	Item	Total No. of valid votes polled	No. of votes in favour %	No. of votes against %
		Ordinary resolution under Section 16 of the Companies Act, 1956 to alter the Memorandum of Association of the Company.	556	99.999	0.001
		Special resolution under Section 31 of the Companies Act, 1956 to alter the Articles of Association of the Company.	556	99.999	0.001
5	March 11, 2014	Special resolution under Section 372A of the Companies Act, 1956 to make investment in a body corporate to be formed or incorporated for the project of the Company located at Keshav Nagar, Mundhwa, Pune, for an amount not exceeding ` 100 Crore.	655	95.80	4.20
		Special resolution under Section 372A of the Companies Act, 1956 to make investment in a body corporate to be formed or incorporated for the project of the Company located at Village Khanawale, Panvel and Village Talegaon, Khalapur, for an amount not exceeding ` 100 Crore.	654	95.80	4.20
		Special resolution under Section 372A of the Companies Act, 1956 to make investment in a body corporate to be formed or incorporated for the project of the Company located at Padur and Kazhipattur Villages, Kanchipuram District, Tamilnadu, for an amount not exceeding ` 45 Crore.	654	95.80	4.20
		Special resolution under Section 372A of the Companies Act, 1956 to make investment in a body corporate to be formed and incorporated for the project of the Company located at Devanahalli, near Bengaluru International Airport, Bengaluru, for an amount not exceeding ` 70 Crore.	655	95.80	4.20
		Special resolution under Section 372A of the Companies Act, 1956 to make additional investment upto ` 200 Crore in Happy Highrises Limited, with an aggregating amount not exceeding ` 450 Crore.	654	95.80	4.20
		Special resolution under Section 372A of the Companies Act, 1956 to make additional investment upto ` 50 Crore in Godrej Buildwell Private Limited, with an aggregating amount not exceeding ` 250 Crore.	655	95.80	4.20

All the Resolutions as mentioned in the Notice of Postal Ballot dated March 8, 2013, March 23, 2013, May 9, 2013, September 27, 2013 and January 29, 2014 have been passed by the requisite majority of the members of the Company.

**The resolutions passed by the members through Postal Ballot, the results of which were announced on May 6, 2013 was not considered by the Company due to certain reasons as informed by the Company vide letter dated May 6, 2013 to the Stock Exchanges.*

At the forthcoming AGM, there is no item on the agenda that needs approval by Postal Ballot.

REPORT ON CORPORATE GOVERNANCE

v) Procedure adopted for Postal Ballot

- (i) The Board / Management Committee of the Board at its meeting or through circular resolutions approves the items to be passed through postal ballot and authorizes the Managing Director and the Company Secretary to be responsible for the entire process of postal ballot.
- (ii) A professional such as a Chartered Accountant/ Company Secretary, who is not in employment of the Company, is appointed as the Scrutinizer for the poll process.
- (iii) Notice of postal ballot along with the ballot papers are sent to the shareholders of the Company along with a self-addressed envelope addressed to the Scrutinizer.
- (iv) An advertisement is published in a national newspaper about the dispatch of ballot papers and notice of postal ballot.
- (v) The duly completed postal ballot papers are received by the Scrutinizer.
- (vi) The Scrutinizer gives his report to the Chairman.
- (vii) The Chairman announces the results of the postal ballot.
- (viii) Results are intimated to the stock exchanges i.e. the BSE Limited and the National Stock Exchange of India Limited and are put up on the Company's website.

Pursuant to the requirements under the Listing Agreement (as amended by a circular dated July 14, 2012 issued by the Securities and Exchange Board of India), the Company provides e-voting facility to the Members for the postal ballots held after October 1, 2012.

7) SHAREHOLDERS AND MEANS OF COMMUNICATION

a) Disclosures regarding appointment or re-appointment of Directors

In accordance with Section 152(6) of the Companies Act, 2013 (corresponding Section 255 & 256 of the Companies Act, 1956) and the Articles of Association of the Company, Mr. Adi B. Godrej and Mr. Nadir B. Godrej shall retire at this Annual General Meeting of the Company and being eligible, offer themselves for re-appointment.

The Company had, pursuant to the provisions of clause 49 of the Listing Agreements entered into with Stock Exchanges, appointed Mr. Keki B. Dadiseth, Mrs. Lalita D. Gupte, Mr. Pranay Vakil, Dr. Pritam Singh, Mr. Amit Choudhury, Mr. S. Narayan and Mr. Amitava Mukherjee as Independent Directors of the Company. As per section 149(4) of the Companies Act, 2013 (Act), which came into effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as Independent Directors. In accordance with the provisions of section 149 of the Act, these Directors are being appointed as Independent Directors to hold office as per their tenure of appointment mentioned in the Notice of the forthcoming Annual General Meeting (AGM) of the Company.

b) Communication to shareholders

All vital information relating to the Company and its performance, including annual reports, quarterly results, shareholding pattern, Report on Corporate Governance, official press releases and presentations to analysts/ performance updates are posted on the website of the Company www.godrejproperties.com and a copies of the same are sent to the BSE Limited and the National Stock Exchange of India Limited. The quarterly and annual results of the Company's performance are published in leading English dailies like Economic Times and Maharashtra Times. Further, the annual reports containing audited standalone and consolidated financial statements of the Company together with Directors' Report, Auditors' Report and other important information are circulated to the members and others entitled thereto.

c) Investor grievances

As mentioned elsewhere in the report, the Company has constituted a Stakeholders Relationship Committee inter-alia to look into and redress complaints from shareholders and investors. Mr. Shodhan A. Kembhavi, Vice-President (Legal) & Company Secretary is the Compliance Officer of the Company.

d) Share transfer

The Company has outsourced its share transfer function to M/s. Karvy Computershare Private Limited, which is registered with the Securities and Exchange Board of India having Registration No. INR000000221. The Company on March 13, 2014 extended the validity of the initial agreement executed with Karvy Computershare Private Limited for a further period of two years effective from March 15, 2014.

e) Details of non-compliance

There has been no instance of the Company not complying with any matter related to capital markets.

8) NON-MANDATORY REQUIREMENTS UNDER EXISTING CLAUSE 49 OF THE LISTING AGREEMENT

The status of compliance with non-mandatory recommendations of the existing Clause 49 of the Listing Agreement is provided below:

- a) **Nomination & Remuneration Committee:** The Board has set up a Nomination & Remuneration Committee consisting of Independent Directors, details of which have been provided elsewhere in this Report.
- b) **Shareholders' Rights:** As the quarterly and half yearly financial results are published in the newspapers and are also posted on the Company's website, the same are not being sent separately to the shareholders.

- c) **Audit Qualifications:** The Company's financial statements for the year 2013-14 do not contain any audit qualification.

- d) **Training of Board members:** The Board members are fully updated on all the new initiatives proposed by the Company, industry scenario, changes in the statutes/legislations and critical business issues. The Company engages outside consultants for presentation and discussion with the Board members on matters of specialized nature.

- e) **Whistle Blower Policy:** With a view to establish a mechanism for protecting the employees reporting unethical behavior, fraud, violation of Company's Code of Conduct, the Board of Directors has adopted a Whistle Blower policy. During the year 2013-14, no personnel has been denied access to the Audit Committee.

The Board of Directors of the Company at its meeting held on January 29, 2014 has enhanced the scope of Audit Committee to operate the vigil mechanism system for directors and employees of the Company in accordance with Section 177 of the 2013 Act.

9) AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

As stipulated in Existing Clause 49 of the Listing Agreement, the auditor's certificate regarding compliance of conditions of corporate governance is annexed to the Corporate Governance Report.

REPORT ON CORPORATE GOVERNANCE

Declaration by Managing Director

I, Pirojsha Godrej, Managing Director & Chief Executive Officer of Godrej Properties Limited, hereby confirm pursuant to Existing Clause 49(l)(D) of the Listing Agreement that:

The Board of Directors of Godrej Properties Limited has laid down a Code of Conduct for all Board members and senior management personnel of the Company. The said code of conduct has also been posted on the Company's website viz. www.godrejproperties.com. All the Board members and senior management personnel have affirmed their compliance with the said Code of Conduct for the financial year ended March 31, 2014.

Pirojsha Godrej
Managing Director & Chief Executive Officer

Mumbai
May 2, 2014

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of
Godrej Properties Limited

We have examined the compliance of conditions of Corporate Governance by Godrej Properties Limited (the Company) for the year ended March 31, 2014, as stipulated in Clause 49 of the Listing Agreements of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the record maintained by the Stakeholders Relationship Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Kalyaniwalla & Mistry**
Chartered Accountants
Firm Registration No. 104607W

Ermin K. Irani
Partner
Membership No.35646

Date: May 2, 2014
Place: Mumbai

General Shareholders' Information

i) Annual General Meeting

Date August 2, 2014
Time 2.30 p.m.
Venue Y. B. Chavan Pratishthan, Gen. Jagannathrao Bhonsle Marg, Nariman Point, Mumbai 400 021

ii) Financial Calendar

Financial Year: April 1 to March 31
 For the financial year ended March 31, 2014, the financial results were announced on:-

- July 27, 2013 : First Quarter
- October 30, 2013 : Second Quarter
- January 29, 2014 : Third Quarter
- May 2, 2014 : Annual

iii) Date of Book Closure

A dividend of Rs 2/- per equity share of Rs 5 each (40 %) has been recommended by the Board of Directors of the Company. For payment of dividend, the book closure is from July 31, 2014 to August 1, 2014 (both days inclusive).

iv) Dividend Payment Date

The dividend, if declared, will be payable on and from August 8, 2014.

v) Listing information

The Company's equity shares are listed on the BSE Limited and the National Stock Exchange of India Limited.

Name of Stock Exchange	Stock/Scrip code
BSE Limited	533150
The National Stock Exchange of India Limited	GODREJPROP

The ISIN No. of the Company's equity shares on both National Securities Depository Limited and Central Depository Services (India) Limited is INE484J01027. The CIN of the Company is L74120MH1985PLC035308.

vi) Stock Data

Table 1 and Table 2 respectively give the monthly high and low prices and volumes of equity shares of the Company at the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") for the financial year ended March 31, 2014.

Table 1: Monthly high and low prices and volumes of equity shares of the Company at BSE for the financial year ended March 31, 2014:

Month	High (₹)	Low (₹)	Volumes traded (No. of equity shares)
April	619.10	527.95	61,384
May	629.55	560.60	133,810
June	564.70	502.30	60,494
July	544.80	477.65	44,446
August	486.70	391.25	187,640
September	394.20	342.45	171,459
October	393.80	347.65	212,111
November	375.55	167.50*	310,837
Post Sub-division of equity share of ₹ 10/- each into 2 equity shares of ₹ 5/- each			
December	169.55	160.80	427,656
January	180.40	155.20	1,815,638
February	167.85	155.35	648,187
March	213.40	163.90	2,451,755

Table 2: Monthly high & low prices and volumes of equity shares of the Company at NSE for the financial year ended March 31, 2014:

Month	High (₹)	Low (₹)	Volumes traded (No. of equity shares)
April	619.65	528.70	352,258
May	626.85	561.45	663,328
June	564.40	503.90	524,563
July	543.65	478.60	169,460
August	491.30	393.45	449,288
September	395.20	343.05	838,961
October	388.15	347.85	920,852
November	375.40	167.15*	1,419,378
Post Sub-division of equity share of ₹ 10/- each into 2 equity shares of ₹ 5/- each			
December	169.90	160.55	2,304,477
January	180.50	155.10	6,239,563
February	167.90	155.90	2,999,034
March	213.85	163.05	11,172,620

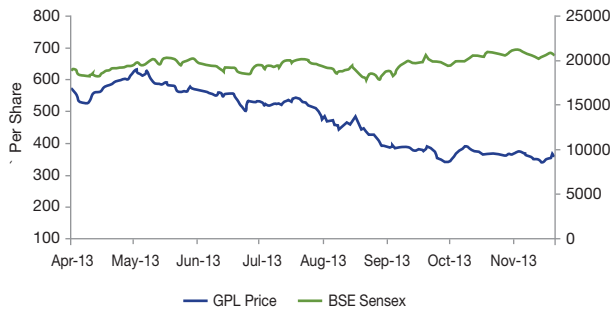
Note: High and low prices are in rupees per traded equity share derived from the closing prices. Volume is the total monthly volume of trade (in numbers) in equity shares of the Company on the BSE and the NSE.

* Pursuant to the approval of the shareholders of the Company each equity share of ₹ 10/- each was sub-divided into 2 (two) equity shares of ₹ 5/- each w.e.f. November 22, 2013 being the Record Date.

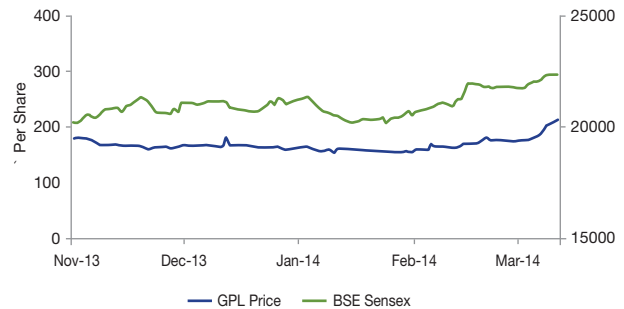
REPORT ON CORPORATE GOVERNANCE

The Company's equity share performance compared to BSE Sensex and BSE Realty Index are as under:

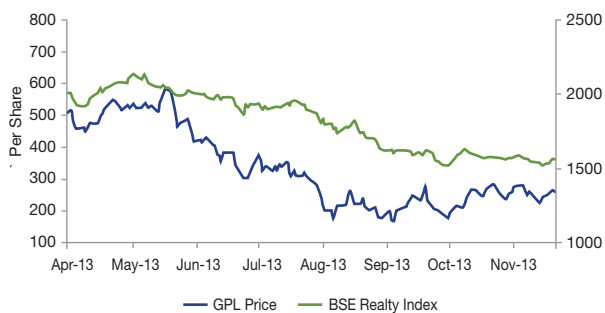
Pre Sub-division of share



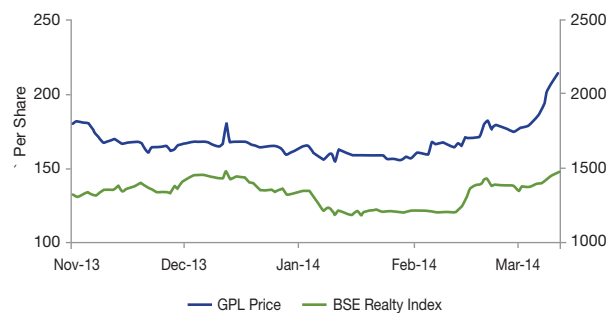
Post Sub-division of share



Pre Sub-division of share



Post Sub-division of share



vii) Distribution of shareholding as on March 31, 2014

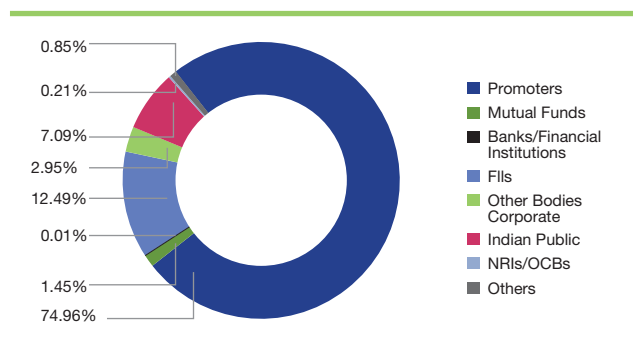
DISTRIBUTION SCHEDULE AS ON March 31, 2014						
Sr. No.	Category	No. of shareholders	% of shareholders	No. of equity shares	Amount (Rs.)	% Amount
1	1 - 5000	27,980	93.69	43,01,840	215,09,200.00	2.16
2	5001 - 10000	860	2.88	12,80,930	64,04,650.00	0.64
3	10001 - 20000	462	1.55	13,60,563	68,02,815.00	0.68
4	20001 - 30000	198	0.66	996,236	49,81,180.00	0.50
5	30001 - 40000	71	0.24	493,845	24,69,225.00	0.25
6	40001 - 50000	56	0.19	521,745	26,08,725.00	0.26
7	50001 - 100000	96	0.32	13,46,482	67,32,410.00	0.68
8	100001 & Above	140	0.47	18,89,32,389	94,46,61,945.00	94.83
	Total	29,863	100.00	19,92,34,030	99,61,70,150.00	100.00

viii) Shareholding pattern as on March 31, 2014

SHARE HOLDING PATTERN AS ON MARCH 31, 2014				
Sr. No.	Category	No. of shareholders	No. of equity shares held	% of shareholding
1	Promoters and Promoter Group	16	14,93,46,308	74.96
2	Mutual Funds	9	28,84,899	1.45
3	Banks / Financial Institutions	4	21,882	0.01
4	FII's	54	2,48,83,221	12.49
5	Other Bodies Corporate	686	58,79,398	2.95
6	Indian Public	28,016	1,41,23,852	7.09
7	NRIs / OCBs	692	408,891	0.21
8	Others	386	16,85,579	0.85
	TOTAL	29,863	19,92,34,030	100.00

Note: The details of outstanding employee stock options as on March 31, 2014 are provided in Annexures to the Directors' Report.

Categories of equity shareholders

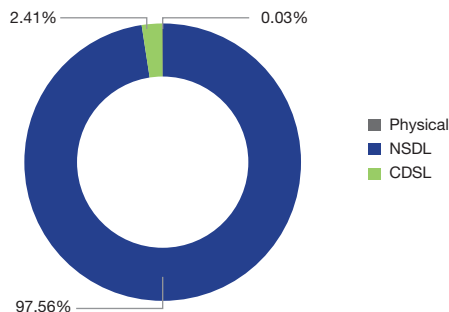


ix) Shares held in physical and dematerialized form

Category	Number of shareholders	Shareholders %	Number of equity shares held	Shareholding %
Physical	95	0.32	62,102	0.03
NSDL	20,712	69.36	19,43,78,223	97.56
CDSL	9056	30.32	47,93,705	2.41
Total	29,863	100.00	19,92,34,030	100.00

REPORT ON CORPORATE GOVERNANCE

Break up of physical and dematerialized shares as on March 31, 2014



x) Outstanding GDRs / ADRs / warrants convertible instruments and their impact on equity

The Company does not have any outstanding GDRs, ADRs, warrants or convertible instruments.

xi) Share Transfer

Share transfer and related operations for the Company are conducted by M/s Karvy Computershare Private Limited, Registrar and Share Transfer Agents of the Company. Share transfer is normally affected within a period of 15 days from the date of receipt of request, if all the required documentation is submitted.

xii) Investor correspondence should be addressed to:

Karvy Computershare Private Limited
(Unit: Godrej Properties Limited)
Plot No. 17-24, Vittal Rao Nagar,
Madhapur, Hyderabad - 500081
Tel.: 040 – 4465 5000
Fax No.: 040 – 23420814
Email ID: einward.ris@karvy.com
Toll Free No.: 18003454001
Contact Person: Mr. K. S. Reddy

xiii) Compliance Officer:

Mr. Shodhan A. Kembhavi
Vice President (Legal) & Company Secretary.
Godrej Bhavan, 4th Floor, 4A, Home Street,
Fort, Mumbai – 400 001
Email: secretarial@godrejproperties.com

xiv) Transfer of Unclaimed/Unpaid Dividend;

The Company shall be transferring the unclaimed/unpaid dividends as mentioned hereunder to the Investors Education and Protection Fund established by the Central Government, in terms of the provisions of Section 124 and 125 of the 2013 Act:

Sr. No.	Financial Year	AGM	Date of declaration of dividend	Dividend declared per share (Rs.)	Due date for transfer unclaimed/unpaid dividend to IEPF
1	2007-08	23rd	June 18, 2008	10.00	July 24, 2015
2	2008-09	24th	July 27, 2009	2.50	September 01, 2016
3	2009-10	25th	July 17, 2010	4.00	August 22, 2017
4	2010-11	26th	July 22, 2011	4.50	August 27, 2018
5	2011-12	27th	July 28, 2012	3.00	September 02, 2019
6	2012-13	28th	July 27, 2013	4.00	September 01, 2020

xv) Details of Demat Suspense Account:

As per Clause 5A(l) of the Listing Agreement, the Company reports the following details in respect of equity shares lying in the suspense account which were issued pursuant to the public issue.

Sr. No.	Particulars (for the Financial Year 2013-2014)	No. of Cases	No. of Equity Shares
1.	Aggregate number of shareholders and the outstanding equity shares in the suspense account lying at the beginning of the year;	1	104
2.	Number of shareholders who approached issuer for transfer of equity shares from suspense account during the year;	-	-
3.	Number of shareholders to whom equity shares were transferred from suspense account during the year;	-	-
4.	Aggregate number of shareholders and the outstanding equity shares in the suspense account lying at the end of the year*.	1	104

Note:

*The voting rights on the equity shares shall be frozen till the rightful owner claims such shares.

BUSINESS RESPONSIBILITY REPORT

SUSTAINABILITY EFFORTS BY THE GODREJ GROUP

The Godrej Group has been at the forefront of philanthropic and social activities for several decades. 25% of the shares of the Godrej Group's holding company Godrej & Boyce are held in a trust that invests back in initiatives that support the environment, and improve the quality and availability of healthcare and education. Through investment and oversight by the trust, a large tract of mangrove forests in Mumbai have been protected, developed and maintained for several years and have served as a second set of lungs for the city. The Godrej Group has supported education for all through its support of the Udayachal pre-primary and primary schools, which focus on all round development of children. The Udayachal high school has recently been accredited with the International School Award in recognition of the school incorporating global education into its curriculum and innovation into classroom teaching.

Additionally, the Godrej Group has supported initiatives in healthcare, through its Godrej Memorial Hospital (GMH), which aims to provide quality healthcare at affordable costs. One such initiative is GMH's partnership with a US based NGO 'Smile Train' which helps in performing corrective cleft lip and palate surgeries for underprivileged children. GMH offers surgery and hospitalization to the patients free of cost.

Table for Two

The Group continues to support the Indian chapter of "Table for Two", which it initiated at the World Economic Forum India Summit in December 2009. The initiative is targeted at addressing hunger and malnutrition in the developing world by combining our organization's tradition of serving society and individual involvement. Apart from the Table for Two initiative, Godrejites contributed to the beneficiary of the initiative – ISCKON foundation for their mid-day meal programme – during the Joy of Giving week.

Heroes AIDS Project

The Godrej Group also continues to support Heroes AIDS Project (HAP). Founded by Parmeshwar Godrej and Richard Gere over a decade ago, Heroes Project continued to partner with the Bill and Melinda Gates Foundation to contribute strongly to the national and regional effort to address HIV-related stigma and discrimination; educate especially vulnerable populations about HIV; identify and recruit a range of societal leaders to serve as spokespersons for the cause; and partner with the media to create and disseminate strategic "education entertainment" programming that incorporates HIV issues.

Heroes Project was invited by the 2012 International AIDS Conference in Washington, D.C. in the United States to present its groundbreaking research on the impact of using societal leaders as advocates for HIV issues. Heroes Project's award-winning "Mr. Doubt" public service announcements on HIV risk perception and testing were evaluated in Andhra Pradesh, where 49 percent - a significant proportion - of the audience surveyed indicated their intention to get tested for HIV after watching the PSAs on television and in movie theatres. The Mr. Doubt campaign was dubbed into Kannada for the Karnataka AIDS Control Society, and was completely remade in Marathi for the Maharashtra AIDS Control Society.

Teach for India

Godrej Industries has been supporting Teach for India since its inception in 2009. Teach for India (TFI) is a nationwide movement of outstanding college graduates and young professionals who will commit two-years to teach full-time in under resourced schools and who will become lifelong leaders working from within various sectors towards the pursuit of equity in education. In 2009 Teach for India began its journey in the classrooms with 78 TFI fellows (or teachers) in 2 cities and across 34 schools covering 3000 children. The movement has in 2014 grown to cover 204 schools in 5 cities with 730 fellows, impacting close to 23,000 children. Godrej Industries has contributed significantly to this growth not only through direct funding but also by allowing employees to participate in the 2 year fellowship program through a sabbatical. Apart from this the company has also provided a space of 1500 sq. ft. within its campus for establishing the TFI office.

Godrej Good & Green

In conjunction with our vision for "brighter living" for all stakeholders, we have developed a long-term vision for playing an active part in creating a more inclusive and greener India. This vision has been named "Godrej Good & Green".

Good & Green is founded on shared value initiatives. The concept of shared value is defined as policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates. As part of Good & Green, the Group aspires by 2020, to create a more employable Indian workforce, a greener India and innovate for good and green products.

Specifically, our goals at the Group level for 2020 as part of this vision are:

- Training **1 million** rural and urban youth in skilled employment
- Achieving **zero waste, carbon neutrality, positive water balance along with reducing our specific energy consumption and increasing proportion of renewable energy resources**
- Having a **third of our portfolio revenues** comprising good and/or green products and services – defined as products that are environmentally superior or address a critical social issue (e.g., health, sanitation, disease prevention) for consumers at the bottom of the income pyramid

These goals are fuelled by Brighter Giving (BG), a structured volunteering platform through which employees can offer their time and skills to help address a non-profit organisation's needs. Through Brighter Giving, our employees can donate their time, knowledge and skills to help address a non-profit organisation's specific needs, on a project basis. Brighter Giving also serves as a channel through which employees can connect with, and learn more about Good & Green. Much like the old Chinese proverb, "Give a man a fish and you feed him for a day; teach a man to fish you feed him for a lifetime," the program takes a long-term view, seeking to enable and drive meaningful impact for BG non-profit partners and/or their beneficiaries. Volunteers accomplish this by using their corporate

skills and expertise to build relevant, implementable and sustainable solutions for the organisations with whom they work. The program was launched in July 2013 with a starting cohort of 15 Brighter Giving volunteers. Since then we have also partnered with two organizations who are helping us connect our employees to relevant projects as per their own time and convenience. Currently a number of GPL employees are participating in BG.

PART B: BUSINESS RESPONSIBILITY INITIATIVES BY GODREJ PROPERTIES LIMITED

As per the Business Responsibility guidelines established by the Ministry of Corporate Affairs and SEBI, following are updates for Godrej Properties Limited on each of the Principles as stated in the Guidelines.

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

At Godrej Properties Limited, there is policy on code of conduct. Every new employee who joins the company goes through the code of conduct document and accepts and signs an undertaking. The code of conduct speaks about various codes like:

- 1) **Communication and Public Relations:** We value our relationship with the media and the public at large and do our best to provide full and prompt disclosure of all appropriate information and events.
- 2) **Compliance with the law:** We comply with all domestic and international laws, rules, regulations, and statutory requirements applicable to our business and the countries where we operate.
- 3) **Confidentiality and Non Compete:** We protect confidential company information from unauthorized disclosure. Any necessary and authorized sharing of this information will be limited to those who have a legitimate need to be kept informed. We will not engage with any company, firm, individual or business which competes with the business of Godrej for a period of one year after leaving the services of the company.
- 4) **Customers:** We are a customer centric company and greatly value the trust, satisfaction and loyalty of our customers across the world. Our primary focus is on delighting our customers, both external and internal.
- 5) **Diversity and Anti-Discrimination:** We recognize merit and perseverance and encourage diversity in our company. We do not tolerate any form of discrimination on the basis of colour, gender, race, caste, age, marital status, sexual orientation or disability and will allow for equal opportunities for all team members.
- 6) **Good and Green:** We are a socially & environmentally responsible i.e. good and green company. We identify shared value opportunities, which imply addressing social and environmental problems, while at the same time strengthening our drivers of competitiveness.
- 7) **Individual Conduct:** We take initiative, strive to learn and improve and be emotionally and socially aware.
- 8) **Integrity:** We uphold integrity in all our interactions and associations both within the company and also with external stakeholders, be it with regard to financial or intellectual or any other issue.
- 9) **Quality:** We deliver high quality products and services to delight our customers and continuously explore new ways of improving our offerings.
- 10) **Safety and Health:** We remain committed to protecting and building a safe and healthy workplace.

This code of conduct is also a part of the policy manual which is uploaded on the intranet of the company.

World Environment Day (W.E.D.) is observed on June 5 every year to promote awareness on the importance of preserving our biodiversity, the need to identify problems related to the environment and ways to take corrective action. World Environment Day is a means to tackle environmental challenges that include climate change, global warming, disasters and conflicts, harmful substances, environmental governance, ecosystem management and resource efficiency.

GPL has been celebrating World Environment Day over many years under the Godrej Good & Green Initiative as well as a separate GPL initiative. Pan-India, GPL

employees have planted 750 saplings in various sites as part of the WED celebrations this year.

In Mumbai, GPL was part of the WED celebrations organized by Godrej Corporate Good & Green that included a global online quiz, an engaging debate, a mangrove photo exhibition, a lecture on biodiversity, film screening & waste paper drive.

In Godrej Garden City, Ahmedabad a 3-4 km rally was organized for GPL employees, site staff & workers to raise awareness about environment conservation.

Godrej Corporate HR distributed plantable paper sheets embedded with seeds that can be directly planted - of seasonal flower which have been sown across GPL sites.



Godrej Properties Employees planting sapling as part of the World Environment Day events at Vikhroli, Mumbai

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

Godrej Properties Ltd has intensified its efforts to be at the forefront of sustainable development. 100% of our inventory launched in the financial year was registered/pre-certified as green by the Indian Green Building Council; up from 74% in FY13, 67% in FY 12 and 26% in FY 11. These include a Gold Pre-certification for Godrej Platinum in Kolkata, and a Silver Pre-certification for Godrej Central in Mumbai under the IGBC Green Homes rating system v2.0. To consistently deliver green buildings, the company has set up internal benchmarks, integrated sustainability goals with project planning. In addition, GPL continuously engages its design and construction partners to create greener buildings. Under Green operations, GPL is working on reducing energy and water consumption and waste generated at our administrative offices in accordance with the Group wide Good & Green Targets.

Principle 3: Businesses should promote the well being of all employees

At Godrej Properties Limited the following employee friendly policies are in place.

- 1) **Diversity:** We value diversity within the Godrej Group and are committed to offering equal opportunities in employment. We do not discriminate against any team member or applicant for employment on the basis of nationality, race, colour, religion, caste, gender, gender identity/ expression, sexual orientation, disability, age, or marital status.
- 2) **Prevention of Sexual Harassment:** We are committed to creating and maintaining an atmosphere in which our team members can work together, without fear of sexual harassment, exploitation or intimidation ('Sexual Harassment' is defined as unwelcome sexual advances, requests for sexual favours and other verbal, non verbal or physical conduct of a sexual nature). Every team



Preservation of the Raintrees as part of mixed-used “Godrej: The Trees” project, Vikhroli, Mumbai; “The Trees” has won an Honour Award in Landscape Analysis and Planning from the prestigious Boston Society of Landscape Architects

member is made aware that the Godrej Group is strongly opposed to sexual harassment and that such behaviour is prohibited both by law and the Group policy. We take all necessary action(s) required to prevent, correct and if necessary, discipline behaviour which violates this policy.

- 3) **Flexi working hours:** The Flexi-Time Module is designed to best equip employees enable employees to have a healthy work-life balance.
- 4) **Work from home:** The Work From Home Module is designed to best equip employees to balance their work and personal responsibilities or exigencies, as the case may be, through a mutually beneficial arrangement for you and the company.
- 5) **Part time work:** This policy has been designed to facilitate the following, while ensuring that the demands of the business are met: a) Benefit existing team members by providing personal flexibility b) Help us attract and retain a talent pool which is not available on full time work commitment. Employees can opt to work part time for up to a

year, in order to balance unexpected work and family demands, recover from an illness, pursue an education, devote time to a volunteer activity in the community or other exigencies.

- 6) **Leave:** We at Godrej Properties Limited believe that availing leave is necessary for employees to have a healthy work-life balance and improve productivity at the workplace. Our Consolidated Privilege Leave Module is designed to best enable employees to take regular leave and maintain this balance.

- 7) **Maternity, Paternity, Adoption leave and benefits:** The Adoption Leave and Benefits Module is designed to best equip employees to balance their responsibilities as a new parent, both on a career and personal front, through a mutually beneficial arrangement for employees and the company.

More than 24% employees are women. There have been no complaints relating to child labour, forced labour, involuntary labour or sexual harassment in the company.



GPL Creches, in collaboration with local NGOs

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

One of initiatives that GPL has undertaken is in collaboration with Mobile Crèche, which provides education for construction workers' children on the construction site. The company has also subscribed to Labour welfare fund membership which promotes the basic computer education, gym, basic education to children of working class. Basic education centers are

set up at sites with the help of appointed contractors. Godrej Properties actively participates in all Corporate activities conducted by the corporate Good & Green cell. During the Joy of Giving week, interested employees participated in spreading the Greener India vision to school children across key locations in the country. Employees have also in the past contributed to clothes collection drives, school to school, flood relief, winter collection drives etc. for Goonj – an NGO that believes in not just addressing a basic need of clothing but also using cloth as an entry point into the lives of



Employees participated in the Standard Chartered Mumbai Marathon in support of the NGO Teach for India



Safety Training Program for construction workers



Good & Green Nipun Training Program for construction workers



people; to address other important needs like health, education, employment generation etc. Employees also participated in the 'khichadi drive' organized by the ISKCON Foundation for raising funds for mid day meal programs in low income municipal schools. Besides these, employees show a lot of enthusiasm in participating in events such as the Mumbai Marathon & the World Environment Day events organized by the Good & Green team etc.

Principle 5: Businesses should respect and promote human rights

Godrej Properties respects and promotes human rights for all individuals. No violations in this regard have occurred. Our Code of Conduct covers aspects like Diversity, Anti-Discrimination, equal opportunity, compliance with the law and integrity which contribute to respecting and promoting human rights. We also have policies like Whistleblower, Prevention of Sexual Harassment that encourage respect and promotion of human rights. Any violation of the Code of Conduct can result in stern disciplinary action including termination of employment and / or other appropriate actions as permissible under the law.

We have a program called 'Bedhadak Bolo' whereby every employee can express his/ her ideas and suggestions without any hesitation and fear. We also conduct open houses, high tea with Directors and small group discussions where employees can share their concerns, ideas and suggestions.

Principle 6: Business should respect, protect, and make efforts to restore the environment

Godrej Properties Ltd. has an internal mandate to certify all projects launched in or after April 2011, under the relevant IGBC Green Building Rating system. The Policy for sustainable ratings extends to all business, design and construction partners – including JVs, suppliers and contractors.

GPL's current projects are assessed for their energy performance through energy modeling tools and sun path analysis to create buildings that have lower operational energy costs. Similarly, a water balance chart for each of the projects helps determine the demand-supply strategy, to reduce or nullify dependence on groundwater or municipal water sources.

To encourage use of cleaner sources of energy GPL has installed or will be installing street lamps powered by Solar Photovoltaic panels in the following projects:

- Godrej Woodsmen Estate, Bengaluru
- Godrej Platinum, Bengaluru
- Godrej Prakriti, Kolkata
- Godrej Frontier, Gurgaon
- Godrej Palm Grove, Chennai

In addition, a large commercial building (grade AAA office) in Mumbai will be installing rooftop solar PV panels to meet ~1% of the buildings' annual energy demand

- Godrej One, Vikhroli



Solar Water Heater for each Villa in Godrej Gold County, Bangalore

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

The Business is currently not engaged in influencing public and regulatory policy. However, Godrej Industries, the parent company ensures that it does so with the highest degree of responsible and ethical behaviour and also works with collective platforms such as trade and industry chambers and associations.

Principle 8: Businesses should support inclusive growth and equitable development

Youth un-employability is recognized to be a bigger crisis than unemployment. 57% of India's youth suffers from some degree of un-employability. 90% of employment opportunities require vocational skills whereas 90% of school / college output is not relevant to these opportunities. On the one hand, there is higher unemployment amongst the educated and on the other, employers are complaining of lack of skilled manpower. The responsibility to address this mismatch is as much of the education system as it of the industry which needs the skilled manpower. With this idea of shared commitment and benefit of shared value, the Godrej group has committed to skill 1 million rural and urban youth by 2020.

Employability has to do with knowledge and skills, be they in terms of basic skills (e.g. numeracy, literacy etc.) or subject and occupation specific knowledge at different levels. These skills alone however do not result in an increase in employability. Personal attributes and attitudes, ranging from basic levels of reliability,

common sense, attitude to work and integrity etc. are just as important to seek employment, maintain such employment and upgrade oneself while in a job.

At the Godrej Group, we have started with the assumption that employability of an individual can be captured through improvement in skill level and his / her earning potential and these metrics are being used to measure the impact of our skilling interventions.

In line with the Good & Green vision of Employability, GPL has initiated training of construction workers. It has signed an MOU with a National Skills Development Corporation partner, to conduct a pilot on the site of Godrej Anandam in Nagpur, Ahmedabad, Bangalore, Kolkata & Mumbai. This training will enable unskilled workers to improve their skill level and the ability to improve their livelihood. Around 4100 workers were during the year 2013-14 and we plan to extend this initiative to newer sites to train more than 5000 workers by the end of next financial year.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

Enough information about the product is displayed in all the marketing collaterals, so that customers are aware of it. All the terms and conditions are listed in the application form. A legal agreement is entered into with the customers regarding the sale of property which carries all information about the development scheme. The company is a part of Real estate trade bodies like MCHI and CREDAI.

FINANCIALS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GODREJ PROPERTIES LIMITED,

Report on the Financial Statements

We have audited the accompanying financial statements of Godrej Properties Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting standards notified in the Companies Act, 1956 ("the act") read with General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b. in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 1(g) to the financial statements, in respect of projects under long term contracts undertaken and/or financed by the Company, we have relied upon the management's estimates of the percentage of completion, costs to completion and on the projections of revenues expected from projects owing to the technical nature of such estimates, on the basis of which profits/losses have been accounted, interest income accrued and realizability of the construction work in progress and project advances determined.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required under provisions of section 227(3) of the Companies Act, 1956, we report that:
- a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the accounting standards notified in the Companies Act, 1956, read with General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
 - e. On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For **KALYANIWALLA & MISTRY**
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W

ERMIN K. IRANI
PARTNER
Membership Number: 35646

Place: Mumbai
Date: May 2, 2014

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date.

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the Company has a program for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) In our opinion, the disposal of fixed assets during the year does not affect the going concern assumption.
- 2) (a) The inventory includes construction work in progress, and cost of development rights in identified land. Physical verification of inventory have been conducted at reasonable intervals by the management.
- (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- 3) (a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (b) Consequently, the question of commenting on the rates of interest, terms and conditions of the loans granted being prejudicial to the interests of the Company, receipt of regular principal and interest and reasonable steps for recovery of the same does not arise.
- (c) The Company has not taken any loan secured or unsecured from companies, firms or other parties covered in the Register maintained under section 301 of the Companies Act, 1956.
- (d) Consequently, the question of commenting on the rates of interest and others terms and conditions of the loans taken being prejudicial to the interests of the Company, payment of regular principal and the interest does not arise.
- 4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed a continuing failure to correct major weaknesses in internal controls.
- 5) (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the particulars of contracts and arrangements referred to in Section 301 of the Companies Act, 1956 have been entered into the register required to be maintained under that section.
- (b) The transactions made in pursuance of such contracts or arrangements, were made at prices which are reasonable having regard to prevailing market prices at the relevant time, where comparable market price exist.
- 6) In our opinion and according to the information and explanations given to us, the Company has complied with directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA of the Companies Act, 1956, and the rules framed there under, in respect of the deposits accepted from the public.
- 7) The Company has an internal audit system, which in our opinion is commensurate with the size of the Company and nature of its business.
- 8) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for maintenance of cost records under section 209 (1)(d) of the Act, and are of the opinion that prima facie the prescribed accounts and records have generally been made and maintained. We have not, however, made a detailed examination of the records with a view to examine whether they are accurate and complete.
- 9) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, during the year, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Value Added Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, there are no undisputed dues, payable in respect of above as at 31st March, 2014 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues outstanding of Income Tax, Sales Tax, Value Added Tax, Service Tax, Customs Duty, Wealth Tax, Excise Duty or Cess on account of any dispute other than the following:

Sr No	Name of the Statute	Amount	Period to which the amount relates	Forum where dispute is pending
1	Income Tax Act, 1961	` 2,203,685/-	2009-2010	Commissioner of Income Tax (Appeals)
2	Income Tax Act, 1961	` 3,793,168/-	2006-2007	Commissioner of Income Tax (Appeals) – III
3	MVAT Act, 2002	` 6,231,282/-	2008-2009	Deputy Commissioner of Sales Tax
4	HVAT Act, 2003	` 15,643,699/-	2009-2010	Company is in the process of filing the appeal.
5	Finance Act, 1994	` 335,102,594/-	2005-2011	Customs, Excise & Service Tax Appellate Tribunal
6	Finance Act, 1994	` 2,656,077/-	2010-2012	Commissioner of Service Tax

- 10) The Company does not have accumulated losses at the end of the financial year and has not incurred any cash losses in the current and immediately preceding financial years.
- 11) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not defaulted in repayment of dues to banks. The Company does not have dues to financial institutions or outstanding debentures.
- 12) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi/ mutual benefit fund/ societies.
- 14) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of the transactions and contracts in respect of investments purchased and sold during the year and timely entries have been made therein. The investments made by the Company are held in its own name.
- 15) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and other financial institutions.
- 16) According to the information and explanations given to us and based on the documents and records examined by us, on an overall basis, the term loan has been applied for the purpose for which the loans were obtained.
- 17) According to the information and explanations given to us and on an overall examination of the Balance Sheet and Cash Flows of the Company, we report that the Company has not utilized funds raised on short-term basis for long-term investment.
- 18) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- 19) The Company did not have outstanding debentures during the year.
- 20) We have verified the end use of money raised by Initial Public Offer (IPO) as disclosed in Note 28(a) and Rights issue as disclosed in Note 28(b) forming an integral part of financial statements. Pending utilization of the funds raised through these public issues, a sum of ` 5,458,640,000/- has been temporarily invested in Mutual Funds.
- 21) During the course of our examination of the books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given and representations made by the Management, no major fraud on or by the Company, has been noticed or reported during the year.

For **KALYANIWALLA & MISTRY**
 CHARTERED ACCOUNTANTS
 Firm Registration Number 104607W

ERMIN K. IRANI
 PARTNER
 Membership Number: 35646

Place: Mumbai
 Date: May 2, 2014

BALANCE SHEET AS AT 31ST MARCH, 2014

Particulars	Note No.	As At 31.03.2014	As At 31.03.2013
I EQUITY AND LIABILITIES			
1) Shareholders Fund			
a) Share Capital	2	991,232,600	780,461,030
b) Reserves & Surplus	3	16,910,311,447	12,862,476,771
Total Shareholders' Funds		17,901,544,047	13,642,937,801
2) Non-Current Liabilities			
a) Long Term Borrowing	4	2,037,033,000	3,460,925,000
b) Other Long Term Liabilities	5	10,850,194	2,768,009
c) Long Term Provisions	6	28,579,179	27,817,241
Total Non Current Liabilities		2,076,462,373	3,491,510,250
3) Current Liabilities			
a) Short Term Borrowing	7	13,166,907,326	4,256,146,862
b) Trade Payables (Refer Note 29)		1,105,204,334	1,088,099,338
c) Other Current Liabilities	8	7,019,343,512	4,773,535,976
d) Short Term Provisions	9	477,423,241	420,129,027
Total Current Liabilities		21,768,878,413	10,537,911,203
Total Equity And Liabilities		41,746,884,833	27,672,359,254
II ASSETS			
1) Non-Current Assets			
a) Fixed Assets	10		
(i) Tangible Assets		106,406,848	83,476,528
(ii) Intangible Assets		301,638,258	37,015,782
(iii) Capital work-in-progress		684,322,895	440,978,662
(iv) Intangible Assets under Development		19,402,827	19,402,827
Total Fixed Assets		1,111,770,828	580,873,799
b) Non-Current Investments	11	3,159,474,537	1,700,318,306
c) Deferred Tax Asset (Net)	12	18,620,000	40,579,000
d) Long Term Loans & Advances	13	1,250,821,155	1,518,537,702
e) Other Non Current Assets	14	28,825,525	108,192,216
Total Non Current Assets		5,569,512,045	3,948,501,023
2) Current Assets			
a) Inventories	15	9,283,312,564	6,506,111,576
b) Trade Receivables	16	1,162,342,259	631,584,122
c) Cash & Bank Balances	17	6,525,191,207	474,535,569
d) Short Term Loans & Advances	18	17,039,252,207	14,638,394,181
e) Other Current Assets	19	2,167,274,551	1,473,232,783
Total Current Assets		36,177,372,788	23,723,858,231
Total Assets		41,746,884,833	27,672,359,254
ACCOUNTING POLICIES	1		

The accompanying notes 1 to 42 form an integral part of financial statements
As per our Report of even date.

For **KALYANIWALLA & MISTRY**
Chartered Accountants
Firm Registration Number 104607W

ERMIN K. IRANI
Partner
Membership Number :35646
Mumbai, Dated : May 02, 2014

Signatures to the Balance Sheet and Notes to Financial Statements
For and on behalf of Board

A. B. GODREJ
Chairman

PIROJSHA GODREJ
Managing Director & CEO

SHODHAN A. KEMBHAVI
Company Secretary

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	Note No.	For the Year Ended 31.03.2014	For the Year Ended 31.03.2013
INCOME			
Revenue from Operations	20	6,640,047,419	4,267,099,719
Other Income	21	1,025,522,359	627,851,964
TOTAL REVENUE		7,665,569,778	4,894,951,683
EXPENDITURE			
Cost of Sales	22	4,915,116,194	2,287,491,765
Employee Benefits Expense	23	238,881,230	175,140,882
Finance Costs	24	1,185,402,140	598,193,373
Depreciation		49,479,398	35,376,369
Other Expenses	25	314,554,302	402,697,561
TOTAL EXPENSES		6,703,433,264	3,498,899,950
PROFIT BEFORE TAX		962,136,514	1,396,051,733
Tax Expense			
Current Tax		28,667,170	175,000,000
MAT Credit Entitlement		(28,667,170)	-
Deferred Tax		23,595,000	(10,650,000)
Adjustment for Tax of Previous Years (net)		(37,975,837)	5,024,255
		(14,380,837)	169,374,255
PROFIT AFTER TAX		976,517,351	1,226,677,478
Earnings Per Share (Refer Note 39)			
Basic		5.28	7.28
Diluted		5.28	7.27
ACCOUNTING POLICIES	1		

The accompanying notes 1 to 42 form an integral part of financial statements As per our Report of even date.

For **KALYANIWALLA & MISTRY**
Chartered Accountants
Firm Registration Number 104607W

ERMIN K. IRANI
Partner
Membership Number :35646
Mumbai, Dated : May 02, 2014

Signatures to the Statement of Profit & Loss and Notes to Financial Statements
For and on behalf of Board

A. B. GODREJ
Chairman

PIROJSHA GODREJ
Managing Director & CEO

SHODHAN A. KEMBHAVI
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	For the Year Ended 31.03.2014	For the Year Ended 31.03.2013
Cash Flow from Operating Activities		
Profit before Taxation	962,136,514	1,396,051,733
Adjustment for:		
Depreciation	49,479,398	35,376,369
Interest Paid	1,185,402,140	598,193,373
Loss / (Profit) on sale of Fixed Asset	328,721	(749)
Provision for Doubtful Advances written back (Net)	(42,253,566)	-
ESGS Compensation	38,099,758	20,549,623
Expenses of Amalgamation	2,500,000	-
Diminution in value of investments written back	(4,476)	-
Interest Income	(973,624,829)	(601,492,711)
Dividend Received	(654,331)	(15,467,944)
Profit on Sale of Investment	(45,597,795)	-
Operating Profit before working capital changes	1,175,811,534	1,433,209,694
Adjustment for:		
Increase/(decrease) in Non Current Liabilities	8,844,123	7,509,490
Increase/(decrease) in Current Liabilities	258,201,327	2,819,818,671
(Increase)/decrease in Non Current Assets	474,995,763	(182,241,957)
(Increase)/decrease in Current Assets	(6,270,154,991)	(2,665,674,827)
	(4,352,302,244)	1,412,621,072
Taxes Paid (Net)	(129,154,959)	(206,588,651)
Net Cash Flow from Operating activities	(4,481,457,203)	1,206,032,421
Cash Flow from Investing Activities		
Purchase of Fixed Assets	(578,537,825)	(264,359,445)
Sale of Fixed Assets	4,987,022	1,256,500
Purchase of Investments	(3,939,979,571)	(55,029,275)
Sale of Investments	765,967,897	46,609,050
Investments in Limited Liability Partnership	(846,965,758)	(795,916,353)
Expenses of Amalgamation	(5,461,054)	(2,900,410)
Interest Received	933,907,132	655,448,334
Profit on sale of Investment	39,539,250	-
Dividend Received	2,629,351	15,467,944
Income on Rights Renunciation by ESOP Trust	1,150,000	-
Net Cash Flow from Investing Activities	(3,622,763,556)	(399,423,654)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	For the Year Ended 31.03.2014	For the Year Ended 31.03.2013
Cash Flow from Financing Activities		
Proceeds from Issue of Equity Share Capital (net of issue expenses)	6,910,165,240	92,840
(Repayment of)/Proceeds from Long Term Borrowings (net)	(1,423,892,000)	1,858,821,000
Proceeds / (Repayment of) from Short Term Borrowings (net)	10,212,656,464	(5,866,509,895)
Issue related expenses	1,400,000	(884,627)
Interest Paid	(1,182,905,444)	(625,476,859)
Payment of Dividend	(312,235,150)	(234,064,314)
Tax on Distributed Profits	(53,076,512)	(37,982,783)
Net Cash Flow from Financing Activities	14,152,112,598	(4,906,004,638)
Net Increase in Cash & Cash Equivalent	6,047,891,839	(4,099,395,871)
Cash & Cash Equivalent -Opening Balance	447,192,375	4,351,149,918
Acquired Pursuant to the Scheme of Amalgamation	30,091,486	195,438,328
Opening Cash & Cash Equivalent of GPL ESOP Trust (Refer Note 31(b))	15,507	-
Cash & Cash Equivalent -Closing Balance	6,525,191,207	447,192,375
Notes :		
1. Cash and Cash Equivalents:		
Cash & Cheques on Hand and Balances with Banks	566,218,209	378,742,251
Investments in Liquid Mutual Funds	5,958,972,998	95,793,318
Less: Other Bank Balances	-	(27,343,194)
Cash and Cash Equivalents.	6,525,191,207	447,192,375

- The cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS) 3 on 'Cash Flow Statement', and presents cash flows by operating, investing and financing activities.
- Dividend received under Investing activities includes dividend of ₹ 1,975,020/- received by the ESOP trust.
- Figures for the previous year have been regrouped / restated wherever necessary to conform to current year's classification.

As per our Report of even date.

For **KALYANIWALLA & MISTRY**
Chartered Accountants
Firm Registration Number 104607W

ERMIN K. IRANI
Partner
Membership Number : 35646
Mumbai, Dated : May 02, 2014

For and on behalf of Board

A. B. GODREJ
Chairman

PIROJSHA GODREJ
Managing Director & CEO

SHODHAN A. KEMHAVI
Company Secretary

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 1

Accounting Policies:

a) Basis of Preparation

The financial statements are prepared in accordance with generally accepted accounting principles in India. The Company has prepared these financial statements to comply in all the material respects with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Companies Act, 1956, read with General Circular 15/2013 dated September 13, 2013 issued by the Ministry of Corporate Affairs, in respect of section 133 of the Companies Act, 2013 under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company.

For the purpose of administration of Employee Stock Option Plan of the Company, the Company has established GPL ESOP Trust. In the current year, in accordance with the opinion issued by the Expert Advisory Committee (EAC) of the ICAI in 2014 on Consolidation of ESOP Trust in the standalone financial statements, the Company has included the financial statements of the ESOP trust for preparation of the standalone financial statements.

b) Operating Cycle

The normal operating cycle in respect of operation relating to under construction real estate project depends on signing of agreement, size of the project, phasing of the project, type of development, project complexities, approvals needed & realization of project into cash & cash equivalents and range from 3 to 7 years. Accordingly Assets & Liabilities have been classified into current & non-current based on operating cycle of respective projects.

c) Fixed Assets

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation. Cost includes all incidental expenses related to acquisition and installation, other pre-operation expenses and interest in case of construction.

Carrying amount of cash generating units / assets are reviewed at balance sheet date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount is estimated as the net selling price or value in use, whichever is higher. Impairment loss, if any, is recognized whenever carrying amount exceeds the recoverable amount.

d) Depreciation / Amortization

Depreciation has been provided on Written Down Value basis, at the rates specified in Schedule XIV of the Companies Act, 1956.

Assets acquired on lease are depreciated over the period of the lease.

Leasehold improvements are amortized over a period of lease

Intangible Assets (other than Trademark) are amortized over a period of six years. Company has acquired the "Godrej" Trademark for perpetuity in the current year. However, as a matter of prudence the Management has decided to amortize the same over a period of 20 years.

e) Investments

Investments are classified into long term and current investments.

Long-term investments are carried at cost. Provision for diminution, if any, in the value of each long-term investment is made to recognize a decline, other than of a temporary nature.

Current investments are carried individually at lower of cost and fair value and the resultant decline, if any, is charged to revenue.

f) Inventories

Inventories are valued as under:

- | | |
|----------------------------------|------------------------------------|
| a) Completed Flats | - At lower of Cost or Market value |
| b) Construction Work-in-Progress | - At Cost |

Construction Work-in-Progress includes cost of land, premium for development rights, construction costs, allocated interest and expenses incidental to the projects undertaken by the Company.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

g) Revenue Recognition

The Company is following the "Percentage of Completion Method" of accounting. As per this method, revenue from sale of properties is recognized in Statement of Profit & Loss in proportion to the actual cost incurred as against the total estimated cost of projects under execution with the Company on transfer of significant risk and rewards to the buyer. Up to 31st March 2012 revenue was recognized only if the actual project cost incurred is 20% or more of the total estimated project cost.

Effective 1st April 2012, in accordance with the "Guidance Note on Accounting for Real Estate Transactions (Revised 2012)" (Guidance Note), all projects commencing on or after the said date or projects which have already commenced, but where the revenue is recognized for the first time on or after the above date, Construction revenue on such projects have been recognized on percentage of completion method provided the following thresholds have been met:

- (a) All critical approvals necessary for the commencement have been obtained;
- (b) The expenditure incurred on construction and development costs is not less than 25 per cent of the total estimated construction and development costs;
- (c) At least 25 percent of the saleable project area is secured by contracts or agreements with buyers; and
- (d) At least 10 percent of the agreement value is realized at the reporting date in respect of such contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

Determination of revenues under the percentage of completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognized in the financial statements for the period in which such changes are determined. Revenue from projects is recognized net of revenue attributable to the land owners. Losses, if any, are fully provided for immediately.

Revenue on bulk deals on sale of its properties is recognized on execution of documents.

Income from operation of commercial complexes is recognized over the tenure of the lease / service agreement.

Interest income is accounted on an accrual basis at contracted rates.

Dividend income is recognized when the right to receive the same is established

h) Development Manager Fees

The Company has been entering into Development & Project Management agreements with landlords. Accounting for income from such projects is done on accrual basis on percentage of completion or as per the terms of the agreement.

i) Employee Benefits

a) Short-term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, performance incentives, etc. are recognized at actual amounts due in the period in which the employee renders the related service.

b) Post-employment benefits:

(i) Defined Contribution Plans:

Payments made to defined contribution plans such as Provident Fund are charged as an expense as they fall due.

(ii) Defined Benefit Plans:

The cost of providing benefits i.e. gratuity is determined using the Projected Unit Credit Method, with actuarial valuations carried out annually as at the balance sheet date. Actuarial gains and losses are recognized immediately in the Statement of Profit & Loss.

The fair value of the plan assets is reduced from the gross obligation under the defined benefit plan, to recognize the obligation on net basis.

Past service cost is recognized as expense on a straight-line basis over the average period until the benefits become vested.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(iii) **Other long-term employee benefits:**

Other long-term employee benefits viz., leave encashment is recognized as an expense in the Statement of Profit and Loss as and when they accrue. The Company determines the liability using the Projected Unit Credit Method, with actuarial valuations carried out as at the balance sheet date. Actuarial gains and losses in respect such benefits are charged to the Statement of Profit and Loss.

j) **Borrowing Cost**

Interest and finance charges incurred in connection with borrowing of funds, which are incurred for the development of long term projects are transferred to Construction Work in Progress / Due on Management Project, as a part of the cost of the projects at weighted average of the borrowing cost / rates as per Agreements respectively.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

k) **Earnings Per Share**

The basic earnings per share is computed using the weighted average number of common shares outstanding during the period. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the period, except where the results would be anti-dilutive.

l) **Provision For Taxation**

Tax expense comprises both current and deferred tax.

Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates and tax laws.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets, subject to consideration of prudence, are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The tax effect is calculated on the accumulated timing difference at the year-end based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

m) **Foreign Currency Transactions**

Transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transaction. Assets and liabilities related to foreign currency transactions, remaining unsettled at the year end, are translated at the year end exchange rates. Forward exchange contracts, remaining unsettled at the year end, backed by underlying assets or liabilities are also translated at year end exchange rates. The premium payable on foreign exchange contracts is amortised over the period of the contract. Exchange gains / losses are recognised in the Statement of Profit and Loss.

n) **Allocation of Expenses**

Corporate Employee Remuneration and Administration expenses are allocated to various projects on a reasonable basis as estimated by the management.

o) **Provisions and Contingent Liabilities**

Provisions are recognized in the accounts in respect of present probable obligations, the amount of which can be reliably estimated.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 2

SHARE CAPITAL

AUTHORISED

234,000,000 Equity Shares of ₹ 5/- each (Previous Year 117,000,000 Equity Share of ₹ 10/- each)

As at
31.03.2014

As at
31.03.2013

1,170,000,000

1,170,000,000

1,170,000,000

1,170,000,000

ISSUED, SUBSCRIBED & PAID UP

199,234,030 Equity Shares of ₹ 5/- each (Previous Year 78,046,103 Equity Shares of ₹ 10/- each) fully paid up.

996,170,150

780,461,030

Less: 9,87,510 Equity Shares of ₹ 5/-each held by GPL ESOP Trust

4,937,550

-

(Of the above 21,538,388 Equity Shares of ₹ 10/- each (Split into 43,076,776 Equity Shares of ₹ 5/- each) were issued as Right Shares)

991,232,600

780,461,030

(a) Reconciliation of number of shares:

	31.03.2014		31.03.2013	
	No. of Shares		No. of Shares	
Number of Shares outstanding at the beginning of the year	78,046,103	780,461,030	78,036,819	780,368,190
Movement during the year prior to Split	21,570,677	215,706,770		
Addition on account of Share Split from ₹ 10/- to ₹ 5/-	99,616,780	-	-	-
Movement during the year post Split	470	2,350	9,284	92,840
Number of Shares outstanding at the end of the year	199,234,030	996,170,150	78,046,103	780,461,030

(b) Shareholding information:

Equity Shares are held by:

Godrej Industries Limited (Holding Company)	122,775,304	47,965,209
Godrej & Boyce Manufacturing Company Limited (Ultimate Holding Company)	3,240,688	1,270,000
Ensemble Holdings & Finance Limited (Subsidiary of Holding Company)	1,382,310	691,155

(Current Year Face Value of Equity Share is ₹ 5/- (Previous Year ₹ 10/-))

(c) Shareholders holding more than 5% of Equity Shares:

	31.03.2014		31.03.2013	
	No. of Shares	%	No. of Shares	%
Godrej Industries Limited	122,775,304	61.62%	47,965,209	61.46%

(Current Year Face Value of Equity Share is ₹ 5/- (Previous Year ₹ 10/-))

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(d) Rights, preferences and restrictions attached to shares:

The Company has only one class of equity share having a par value of ₹ 5/- per share (Previous Year ₹ 10/-per share). Each holder of equity shares is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the Annual General Meeting except in case of interim dividend. In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(e) Equity Shares Reserved for Issue Under Options	31.03.2014		31.03.2013	
	No. of Shares		No. of Shares	
i) 14,928 Employee Stock Grants eligible for 14,928 equity shares of ₹ 5/- each (Previous Year equity shares of ₹ 10/- each) vesting on 06/05/2014	14928	74640	14,928	149,280
ii) 1,252 Employee Stock Grants eligible for 1,252 equity shares of ₹ 5/- each (Previous Year equity shares of ₹ 10/- each) vesting on 30/09/2014	1252	6260	1,252	12,520
iii) 48,276 Employee Stock Grants eligible for 48,276 equity shares of ₹ 5/- each (Previous Year equity shares of ₹ 10/- each). Out of which 24,140 is vesting on 31/05/2014 and 24,136 is vesting on 31/05/2015	48,276	241,380	36,208	362,080
iv) 11,020 Employee Stock Grants eligible for 11,020 equity shares of ₹ 10/- each	-	-	11,020	110,200
v) 2,218 Employee Stock Grants eligible for 2,218 equity shares of ₹ 5/- each (Previous Year equity shares of ₹ 10/- each) vesting on 31/05/2014	2,218	11,090	2,218	22,180
vi) 460 Employee Stock Grants eligible for 460 equity shares of ₹ 5/- each (Previous Year equity shares of ₹ 10/- each). Out of which 230 is vesting on 31/10/2014 and 230 is vesting on 31/10/2015	460	2,300	345	3,450
vii) 480 Employee Stock Grants eligible for 480 equity shares of ₹ 5/-each (Previous Year equity shares of ₹ 10/- each). Out of which 240 is vesting on 31/01/2015 and 240 is vesting on 31/01/2016	480	2,400	360	3,600
viii) 125,744 Employee Stock Grants eligible for 125,744 equity shares of ₹ 5/- each Out of which 41,906 is vesting on 31/05/2014, 41,906 is vesting on 31/05/2015 and 41,932 is vesting on 31/05/2016	125,744	628,720	-	-
ix) 30,000 Employee Stock Grants eligible for 30,000 equity shares of ₹ 5/- each vesting on 31/05/2014	30,000	150,000	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 3

RESERVES & SURPLUS

Securities Premium

	As At 31.03.2014	As At 31.03.2013
As per last Balance Sheet	10,179,949,780	10,174,727,390
Addition during the year	6,803,953,214	6,107,017
Utilisation during the year (Refer Note 3 (a))	88,736,100	884,627
Closing Balance	16,895,166,894	10,179,949,780

ESOP Trust

Adjustment of Retained earning , Dividend, Cost of share (net of face value) (Refer Note 31(b))	(436,136,099)	-
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General Reserve

As per last Balance Sheet	123,000,000	462,000,000
Utilisation during the year (Refer Note 26)	123,000,000	462,000,000
Addition during the year	98,000,000	123,000,000
Closing Balance	98,000,000	123,000,000

Employee Stock Grant Scheme Reserve

As per last Balance Sheet	24,898,564	10,455,958
Addition during the year	38,099,758	20,549,623
Utilisation during the year	19,360,994	6,107,017
Closing Balance	43,637,328	24,898,564

Surplus in Statement of Profit and Loss

As per last Balance Sheet	2,534,628,427	2,568,280,481
Utilisation during the year (Refer Note 26)	2,637,049,889	771,952,637
Profit for the year	976,517,351	1,226,677,478
Appropriations during the year		
- Proposed Dividend - Final (Refer Note 3(b))	398,694,444	312,301,255
- Tax on Distributed Profit	67,758,121	53,075,640
- Transfer to General Reserve	98,000,000	123,000,000
Closing Balance	309,643,324	2,534,628,427

Total Reserves & Surplus

	16,910,311,447	12,862,476,771
--	----------------	----------------

- a) Securities Premium amount has been utilised towards Right Issue expenses net off reversal of provision made for IPO expenses amounting to ` 1,400,000/- .
- b) The Board of Directors of the company has proposed dividend of (40%) i.e ` 2/- per equity share of ` 5/- each, for the year 2013-14 amounting to ` 398,694,444/- (Previous Year (40 %) i.e ` 4/- per equity share of ` 10/- each amounting to ` 2,306,628/-)

NOTE 4

LONG TERM BORROWINGS

Deposits (Unsecured) (Refer Note 4(a))

From Directors	5,600,000	5,200,000
From Shareholders	232,132,000	298,155,000
From Public	1,799,301,000	3,157,570,000
	2,037,033,000	3,460,925,000

- a) Deposits having maturity of two years amounting to ` 1,981,730,000/- and three years amounting to ` 55,303,000/- bearing interest rate @ 8.50 % to 10.50% payable half yearly.

NOTE 5

OTHER LONG TERM LIABILITIES

Deposits - Lease	120,000	120,000
Trade Payables (Refer Note 29)	10,730,194	2,648,009
	10,850,194	2,768,009

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 6

LONG TERM PROVISIONS

	As At 31.03.2014	As At 31.03.2013
Provision for Employee Benefits	23,635,604	19,062,544
Gratuity (Refer Note 35 (b))	4,943,575	8,754,697
Unavailed Leave	28,579,179	27,817,241
a) Movement in Unavailed Leave		
Opening Provision - Unavailed Leave (Current+ Non Current)	16,668,844	11,163,760
Add: Addition during the Year	6,173,628	15,596,895
Less: Paid during the Year	(12,107,409)	(10,091,811)
Closing Provision	10,735,063	16,668,844
Less : Short term Provision of Unavailed Leave	(5,791,488)	(7,914,147)
Long term Provision of Unavailed Leave	4,943,575	8,754,697

NOTE 7

SHORT TERM BORROWINGS

From Banks		
Secured Loan		
Cash Credit (Refer Note 7 (a))	2,910,172,162	2,249,081,691
Short Term Loan (Refer Note 7 (b))	3,000,000,000	-
Unsecured Loan		
Cash Credit / Invoice Financing (Refer Note 7(c))	1,256,735,164	7,065,171
Other Loans (Refer Note 7(d))	4,000,000,000	2,000,000,000
From Others		
Unsecured Loan		
Other Loans (Refer Note 7(e))	2,000,000,000	-
	13,166,907,326	4,256,146,862

- a) Secured Loan availed from Bank is secured by hypothecation of the current assets of the Company. Immovable property of the Company's Project at Juhu, Mumbai and Current Assets of Godrej Real Estate Private Limited (wholly owned subsidiary) is provided as collateral security and carries interest at Base Rate + 0.90% p.a. effective rate 10.90%.
- b) Short Term Loan availed from Bank is secured by hypothecation of the current assets of the Company. Immovable property of the Company's Project at Juhu, Mumbai and Current Assets of Godrej Real Estate Private Limited (wholly owned subsidiary) is provided as collateral security and carries interest at Base Rate + 0.60% p.a. effective rate 10.60%. Repayment in 9 months from the date of first disbursement.
- c) Unsecured -Over Draft facility amounting to ₹ 64,146,970/- carries interest at Base Rate + 175 basis point. Present effective rate is 12% p.a. ₹ 800,000,000/- of Over Draft @ 10.40% p.a. Overdraft of ₹ 18,86,607/- carries interest at Base Rate + 25 basis point, present effective rate is 10.20% p.a. Unsecured Invoice Financing is availed amounting to ₹ 390,701,587/- carrying interest in a range from 10.20% p.a. to 10.25% p.a.
- d) Other loans include:
- ₹ 1,300,000,000/- availed carrying interest at Base Rate + 25 basis point p.a. Present effective rate is 10.50% p.a. of the above ₹ 1,000,000,000/- is repayable on September 17, 2014 and ₹ 300,000,000/- is repayable on October 25, 2014.
 - Short Term Loan amounting to ₹ 1,200,000,000/- is availed at rate of Interest 10.20 % p.a. (Fixed) Repayable on March 7, 2015.
 - ₹ 1,500,000,000/- availed from Commercial Papers carrying interest at 10.95% p.a. Repayable on April 30, 2014.
- e) i) ₹ 1,000,000,000/- availed from Commercial Papers carrying interest at 10.55% p.a. Repayable on June 9, 2014.
- ii) ₹ 1,000,000,000/- availed from Commercial Papers carrying interest at 10.08% p.a. Repayable on June 19, 2014.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 8

OTHER CURRENT LIABILITIES

	As At 31.03.2014	As At 31.03.2013
Current maturities of long term debt		
Unsecured Deposit (Refer Note 4 (a))		
From - Shareholders	71,783,000	683,000
From - Public	1,377,063,000	146,267,000
Advances from Related Parties (Refer Note 8 (a))	2,463,854,788	2,892,141,955
Investor Education and Protection Fund	-	-
Advances received against sale of flats/ units	2,150,119,564	1,294,819,937
Unclaimed Fixed Deposits & Interest	10,680,010	5,494,864
Unclaimed Dividend	357,316	285,838
Statutory Dues	116,374,997	76,852,247
Due to Management Projects	26,341,449	58,474,630
Other liabilities	802,769,388	298,516,505
	7,019,343,512	4,773,535,976
a) Loans and Advances from Related Parties		
From Subsidiary		
Godrej Realty Private Limited	-	163,867
Godrej Vikhroli Properties LLP	2,463,854,788	2,674,458,922
Godrej Nandhi Hills Project Private Limited	-	217,519,166
	2,463,854,788	2,892,141,955

NOTE 9

SHORT TERM PROVISIONS

Provision for Employee Benefits		
Gratuity (Refer Note 35 (b))	505,967	294,753
Unavailed Leave (Refer Note 6 (a))	5,791,488	7,914,147
Other Provision		
For Taxation	4,673,221	46,536,987
(Net of Advance Tax & Tax deducted at source ` 8,232,377 /- Previous Year ` 452,529,403/-)		
Proposed Dividend - Final	398,694,444	312,306,628
Tax on Dividend	67,758,121	53,076,512
	477,423,241	420,129,027

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 10
FIXED ASSETS

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK			
	As at 1 st April 2013	Taken Over on Merger	Additions	Deductions	As at 31st March 2014	Upto 1st April 2013	Taken Over on Merger	For the Year	Deductions	Upto 31st March 2014	As at 31st March 2014	As at 31st March 2013
Tangible Assets												
Land	356,380	290,000	-	-	646,380	-	-	-	-	-	646,380	356,380
Building	17,031,600	-	-	-	17,031,600	2,429,132	-	730,123	-	3,159,255	13,872,345	14,602,468
Leasehold Improvements	44,994,152	9,057,264	12,174,365	3,545,216	62,680,565	39,668,523	6,848,135	3,785,814	2,350,339	47,952,133	14,728,432	5,325,629
Office Equipment	28,456,733	1,794,960	3,795,082	10,000	34,036,775	12,044,381	677,065	3,174,883	4,164	15,892,165	18,144,610	16,412,352
Site Equipments	244,203	4,250	-	-	248,453	50,988	4,250	26,876	-	82,114	166,339	193,215
Furniture & Fixtures	32,242,528	4,245,648	6,406,786	-	42,894,962	16,868,765	1,953,788	3,681,258	-	22,503,811	20,391,151	15,373,763
Computer	46,849,372	1,789,805	17,111,616	141,900	65,608,893	30,892,514	1,243,605	9,222,645	109,858	41,248,906	24,359,987	15,956,858
Motor Vehicle	32,135,622	1,934,492	6,549,463	9,612,856	31,006,721	16,879,759	1,235,231	4,323,995	5,529,868	16,909,117	14,097,604	15,255,863
Intangible Assets												
Licenses & Software	73,235,893	-	19,156,280	-	92,392,173	36,220,111	-	13,283,804	-	49,503,915	42,888,258	37,015,782
Trade Mark	-	-	270,000,000	-	270,000,000	-	-	11,250,000	-	11,250,000	258,750,000	-
Total	275,546,483	19,116,419	335,193,592	13,309,972	616,546,522	155,054,173	11,962,074	49,479,398	7,994,229	208,501,416	408,045,106	120,492,310
Previous Year	234,467,232	-	44,604,370	3,525,119	275,546,483	121,947,171	-	35,376,369	2,269,367	155,054,173		
Capital Work- in- progress											684,322,895	440,978,662
Intangible Assets under Development											19,402,827	19,402,827
									TOTAL		1,111,770,828	580,873,799

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 11

NON-CURRENT INVESTMENTS

I Trade Investments

Investments in Subsidiary Companies

Unquoted Investments

884,850 (Previous Year 884,850) Equity Shares of ` 10/- each of

Godrej Realty Private Limited

55,217,025

55,217,025

Nil (Previous Year 250,500) Equity Shares of ` 1/- each of

Godrej Seaview Properties Limited

-

250,500

(Formerly known as Godrej Seaview Properties Private Limited)

50,000 (Previous Year 50,000) Equity Shares of ` 10/- each of

Godrej Real Estate Private Limited

500,000

500,000

Nil (Previous Year 34,032) Equity Shares of ` 10/- each of

Godrej Developers Private Limited

-

340,320

103,592 (Previous Year 103,592) Equity Shares of ` 10/- each of

Happy Highrises Limited

163,568,489

163,568,489

Nil, (Previous Year 255,500) Equity Shares of ` 1/- each of

Godrej Estate Developers Limited

-

255,000

(Formerly known as Godrej Estate Developers Private Limited)

24,500 (Previous Year 24,500)Equity Shares (Class-A) of ` 10/- each of

Godrej Buildwell Private Limited

245,000

245,000

1,000 (Previous Year 1,000) Equity Shares (Class-D) of ` 10/- each of

Godrej Buildwell Private Limited

10,000

10,000

50,000 (Previous Year 50,000) Equity Shares of ` 10/- each of

Godrej Buildcon Private Limited

500,000

500,000

100,000 (Previous Year 50,000) Equity Shares of ` 10/- each of

Godrej Projects Development Private Limited

500,500,000

500,000

25,500 (Previous Year 25,500) Equity Shares of ` 10/- each of

Godrej Premium Builders Private Limited

255,000

255,000

50,000 (Previous Year 50,000) Equity Shares of ` 10/- each of

Godrej Garden City Properties Private Limited

500,000

500,000

Nil (Previous Year 100,000) Equity Shares of ` 10/- each of

Godrej Nandhi Hills Project Private Limited

-

245,612,510

91,881 (Previous Year Nil) Equity Shares of ` 10/- each of

Wonder Space Properties Private Limited

15,948,327

-

50,000 (Previous Year Nil) Equity Shares of ` 10/- each of

Wonder City Buildcon Private Limited

500,000

-

50,000 (Previous Year Nil) Equity Shares of ` 10/- each of

Godrej Green Homes Limited

500,000

-

738,243,841

467,753,844

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As At 31.03.2014	As At 31.03.2013
II Investment in Debentures (Fully paid)		
Investments in Subsidiary Companies		
2,989,095 , 1% Secured Redeemable optionally Convertible Debentures of ` 10/- each of		
Godrej Realty Private Limited	29,890,950	29,890,950
341,696 , 17.45% Secured Redeemable optionally Convertible Debentures of ` 1000/- each of		
Wonder Space Properties Private Limited	341,696,000	-
	371,586,950	29,890,950
III Investments In Limited Liability Partnership		
Unquoted Investments		
Mosiac Landmarks LLP	75,704,619	1,100,000
Godrej Vikhroli Properties LLP	1,973,888,563	1,201,544,924
Oxford Realty LLP	17,500	-
	2,049,610,682	1,202,644,924
IV Non trade Investments		
(a) Investment in Fully paid up Equity Instruments		
Quoted Investments		
100 (Previous Year 100) Equity Shares of ` 10/- each of Alacrity Housing Limited	742	742
100 (Previous Year 100) Equity Shares of ` 10/- each of Ansal Buildwell Limited	1,066	1,066
300 (Previous Year 200) of ` 10/- each of Ansal Housing & Construction Limited (100 shares received as bonus shares during the year)	1,366	1,366
600 (Previous Year 600) Equity Shares of ` 5/- each of Ansal Properties & Infrastructure Limited	3,081	3,081
100 (Previous Year 100) Equity Shares of ` 10/- each of Lok Housing & Construction Limited	1,241	1,241
100 (Previous Year 100) Equity Shares of ` 10/- each of Global Infrastructure & Technologies Limited	1,641	1,641
100 (Previous Year 100) Equity Shares of ` 10/- each of Premier Energy & Infrastructure Limited	1,516	1,516
100 (Previous Year 100) Equity Shares of ` 10/- each of D.S. Kulkarni Developers Limited	891	891
13,000 (Previous Year 13,000) Equity Shares of ` 2/- each of Unitech Limited	6,366	6,366
72 (Previous Year 72) Equity Shares of ` 10/- each of The Great Eastern Shipping Company Limited	2,485	2,485
18 (Previous Year 18) Equity Shares of ` 10/- each of GOL Offshore Limited (Formerly known as Great Offshore Limited)	621	621

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As At 31.03.2014	As At 31.03.2013
100 Equity Shares (Previous Year 1000 share of ₹ 1 each) of ₹ 10/- each of Radhe Developers (India) Limited	266	266
23,700 (Previous Year 23,700) Equity Shares of ₹ 10/- each of United Textiles Limited	2,370	2,370
Cost of Quoted Investments	23,652	23,652
Less : Provision for Diminution in Value	3,088	7,564
	20,564	16,088
Unquoted Investments		
1,000 (Previous Year 1,000) Equity Shares of ₹ 10/- each of Saraswat Co-operative Bank Limited	10,000	10,000
25,000 (Previous Year 25,000) Equity Shares of ₹ 10/- each of AB Corp Limited	2,500	2,500
	12,500	12,500
Total Non Current Investments	3,159,474,537	1,700,318,306
1. Cost of Quoted Investments	23,652	23,652
2. Market Value of Quoted Investments	360,008	418,093
NOTE 12		
DEFERRED TAX ASSET (NET)		
Liabilities		
On Fixed Asset	(16,970,000)	-
Assets		
On Fixed Asset	-	2,209,000
On Others	35,590,000	38,370,000
	18,620,000	40,579,000
NOTE 13		
LONG TERM LOANS & ADVANCES		
Secured & Considered good		
Deposits - Projects (Refer Note 13 (a))	1,021,182,709	1,410,898,291
Unsecured Considered good		
Deposits	32,943,550	33,359,499
Advance Tax & Tax deducted at source (Net of Provision for tax ₹ 1,277,769,973 /- (Previous Year ₹ 1,126,312,712/-)	196,694,896	74,279,912
	1,250,821,155	1,518,537,702
a) Secured Deposits - Projects are Secured against Terms of Development Agreement.		
NOTE 14		
OTHER NON CURRENT ASSETS		
Expenses Recoverable	6,276,078	5,517,838
Interest Accrued	449,447	74,378
Others - Deposit with Banks (Deposit with Bank is held as Margin Money)	22,100,000	102,600,000
	28,825,525	108,192,216

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 15**INVENTORIES**

Finished Goods (Refer Note 15(a))

Construction Work in progress

As At
31.03.2014As At
31.03.2013

455,392,050

2,864,043

8,827,920,514

6,503,247,533

9,283,312,564

6,506,111,576

a) Finished goods includes shares of Tahir Properties Limited - at cost or market value (whichever is lower):

a) 70 Equity shares of ` 100/- each, ` 20/- paid up

b) 75 Redeemable Preference Class A shares of ` 100/- each, ` 70/- paid

NOTE 16**TRADE RECEIVABLES**

Unsecured Considered good

Outstanding for a period exceeding six months from the date they are due for payment

Others

333,067,204

272,737,050

829,275,055

358,847,072

1,162,342,259

631,584,122

NOTE 17**CASH & BANK BALANCES**

Cash & Cash Equivalents

Cash-on-Hand

Cheques-on-Hand

Balance with Banks

on Current Accounts (Refer Note 17 (a))

on Fixed Deposit Accounts (Refer Note 17 (b))

Investments in Mutual Funds (Refer Note 17 (c))

Other Bank Balances

on Fixed Deposit Accounts (Long term deposits with maturity more than 3 months but less than 12 months)

196,729

165,078

1,015,037

193,633,832

511,463,592

132,567,528

53,542,851

25,032,619

5,958,972,998

95,793,318

-

27,343,194

6,525,191,207

474,535,569

a) Balances with Banks in current accounts include ` 357,316/- (Previous Year ` 285,838/-) earmarked balance for unclaimed dividend. It also includes balances of the ESOP Trust of ` 17,615/- (Previous Year ` Nil)

b) i) Fixed Deposit of ` Nil (Previous Year ` 6,065,003/-) is held as margin money.

ii) Unutilised IPO Proceeds temporarily invested in Mutual Fund ` Nil (Previous Year ` 92,311,157/-)

iii) Balances with scheduled banks on deposit accounts include ` 37,135,959/- (Previous year ` 31,063,882/-) received from flat buyers and held in trust on their behalf in a corpus fund.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As At 31.03.2014	As At 31.03.2013
c) Investment in Mutual Funds :		
i) In Debt Mutual Funds		
Kotak Floater - LT - Daily Dividend Reinvest	-	29,171,784
ICICI Prudential Floating Rate Plan D - Daily Dividend Reinvest	-	3,241,534
JM High Liquidity Fund - Growth	-	63,380,000
Peerless Liquid Fund - Super IP-Growth	200,000,000	-
Reliance Liquid Fund - TP - Growth	910,000,000	-
Religare Invesco Liquid Fund - Growth Plan	498,640,015	-
Axis Liquid Fund - Growth (CFGPG)	620,332,983	-
Birla Sun Life Cash Plus - Growth - Regular Plan	940,000,000	-
HDFC Cash Management Fund - Saving Plan - Growth	660,000,000	-
ICICI Prudential Liquid - Regular - Growth Plan	710,000,000	-
L&T Liquid Fund - Growth	250,000,000	-
Sundaram Money Fund - Reg - Growth	760,000,000	-
Baroda Pioneer Liquid Fund-Plan A-Growth	410,000,000	-
	5,958,972,998	95,793,318
ii) Unutilised Right Issue Proceeds temporarily invested in Mutual Fund amounting to ₹ 5,458,640,000/-		
NOTE 18		
SHORT TERM LOANS & ADVANCES		
Secured		
Secured Deposits - Projects (Refer Note 18 (a))	3,372,595,781	2,554,137,643
Other Advances (Refer Note 18 (b))	26,374,462	49,200,481
Unsecured Considered good		
Loan to GIL ESOP Trust (Refer Note 31 (c))	70,205,100	70,684,600
(Net of provision for doubtful loan of ₹ 4,635,820/- Previous Year ₹ 4,635,820/-)		
Loan to GPL ESOP Trust (Refer Note 31 (a & b))	-	384,479,569
(Net of provision for doubtful loan of ₹ Nil Previous Year ₹ 58,923,028/-)		
Advances to Related Parties (Refer Note 18 (c))	12,210,019,679	10,636,001,869
Loans and Advances to Others	1,066,396,025	379,107,844
Due on Management Projects (Refer Note 18 (d))	195,934,768	504,562,959
Development Management Fees Accrued but not due (Refer Note 18 (e))	44,456,901	44,456,901
Deposits - Others	53,269,491	15,762,315
	17,039,252,207	14,638,394,181
a) Secured Deposits - Projects, are Secured against Terms of Development Agreement.		
b) Secured Loan & Advances Others, are secured against Bank Guarantee received from Vendors		
c) Advances to Related Parties: <i>To Ultimate Holding Company:</i> Godrej & Boyce Manufacturing Company Limited	24,555,124	656,277

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As At 31.03.2014	As At 31.03.2013
<i>To Holding Company:</i>		
Godrej Industries Limited	24,136	24,136
<i>To Subsidiaries Company, Sub Subsidiary and Fellow Subsidiary</i>		
Godrej Real Estate Private Limited	1,513,429,548	1,385,918,311
Godrej Sea View Properties Limited (Formely known as Godrej Sea View Properties Private Limited.)	-	806,567,863
Happy Highrises Limited	1,794,536,796	1,787,259,117
Godrej Developers Private Limited	2,481,141,437	1,380,921,045
Godrej Estate Developers Limited (Formely known as Godrej Estate Developers Private Limited.)	-	1,783,399,828
Godrej Buildwell Private Limited	987,997,794	1,192,884,693
Godrej Buildcon Private Limited	3,410,024,669	966,075,529
Godrej Projects Development Private Limited	790,628,089	503,213,799
Godrej Premium Builders Private Limited	566,580,000	591,510,000
Godrej Garden City Properties Private Limited	152,136	51,790
Godrej Nandhi Hills Project Private Limited	-	7,637,675
Godrej Realty Private Limited	886,415	-
Wonder City Buildcon Private Limited	11,236	-
Godrej Green Homes Limited	31,126	-
<i>To Limited Liability Partnership</i>		
Godrej Property Developers LLP	367,309	215,282
Mosiac Landmarks LLP	317,571,057	229,570,401
Oxford Realty LLP	287,753,018	-
Dream World Landmarks LLP	32,850,724	-
<i>From Company under same Management:</i>		
Godrej Consumer Products Limited	1,479,065	96,123
	12,210,019,679	10,636,001,868
d) Due on Management Projects include a sum of ` 21,565,250/- (Previous Year ` 21,565,250/-) on account of a project, where the matter is sub-judice with arbitrators.		
e) The Company has entered into Development Agreement with landlords. Development Management Fee amounting to ` 44,456,901/- (Previous Year ` 44,456,901/-) accrued as per terms of the Agreement are receivable by the Company based upon progress milestones specified in the respective Agreements and have been disclosed as Development Management Fee accrued but not due.		
NOTE 19		
OTHER CURRENT ASSETS		
Unbilled Revenue	2,091,678,538	1,436,979,399
Interest Accrued	75,596,013	36,253,384
	2,167,274,551	1,473,232,783

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 20

REVENUE FROM OPERATIONS

	For the Year Ended 31.03.2014	For the Year Ended 31.03.2013
Sale of Products	5,123,779,598	2,711,829,359
Other Operating Revenues		
Sale of Services	606,177,646	607,112,111
Compensation Received from Project	70,000,000	163,980,934
Other Income from Customers	14,231,630	23,104,908
Share of Profit in Limited Liability Partnership	825,369,053	761,046,007
Lease Rent	477,492	14,400
License Fees	12,000	12,000
	6,640,047,419	4,267,099,719

NOTE 21

OTHER INCOME

Interest Income	904,520,555	552,885,830
Projects and landlords	69,104,274	48,606,881
Others	654,331	15,467,944
Dividends	-	749
Profit on sale of Fixed Assets (Net)	45,597,795	-
Profit on sale of Investments	4,476	-
Diminution in value of investments written back	5,640,928	10,890,560
Miscellaneous Income	1,025,522,359	627,851,964

NOTE 22

COST OF SALES

Opening Stock:		
Finished Goods	2,864,043	2,864,043
Construction Work in progress	6,503,247,533	2,570,702,669
Add : Expenditure/ Transfers from Advances during the year		
Stock-In Trade Acquired on Amalgamation	2,753,605,021	1,993,777,081
Stock-In-Trade Acquired during the year	452,528,007	382,375,500
Development Rights	47,879,818	59,571,108
Construction, Material & Labour	3,114,065,012	2,468,035,911
Architect Fees	64,846,521	57,460,014
Advertisement Expenses	120,733,978	73,531,741
Overheads	1,073,537,600	839,082,277
Interest	420,772,455	346,202,997
	8,047,968,412	6,220,036,629
Less : Project transferred to Subsidiaries	355,651,230	-
Less : Closing Stock:		
Finished Goods	455,392,050	2,864,043
Construction Work in progress	8,827,920,514	6,503,247,533
	4,915,116,194	2,287,491,765

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 23**EMPLOYEE BENEFIT EXPENSES**

	For the Year Ended 31.03.2014	For the Year Ended 31.03.2013
Salaries, Bonus, Gratuity & Allowances	143,467,803	114,386,835
Contribution to Provident & other funds	29,063,418	20,168,785
Other Employee Benefits	28,250,251	20,035,639
Expense on Employee Stock Option Scheme (Refer Note 32)	38,099,758	20,549,623
	238,881,230	175,140,882

NOTE 24**FINANCE COST**

Interest Expense		
Banks	650,946,053	608,212,579
Inter Corporate Deposits	-	1,082,535
Projects and landlords	268,278,349	36,023,942
Others	369,758,446	306,939,122
Interest on Income Tax	2,496,696	2,378,843
Total Interest Expenses	1,291,479,544	954,637,021
Other Borrowing cost	236,314,495	53,299,351
Total Finance Cost	1,527,794,039	1,007,936,372
Less: Capitalised to Projects	308,702,975	402,323,159
Less: Capitalised to Capital WIP	33,688,924	7,419,840
NET FINANCE COST	1,185,402,140	598,193,373

NOTE 25**OTHER EXPENSES**

Consultancy Charges	56,646,591	26,006,048
Rent	38,952,614	37,558,608
Insurance	4,159,491	3,752,588
Rates & Taxes	1,145,339	611,343
Loss on sale of Fixed Assets (Net)	328,721	-
Advertisement & Marketing Expense	29,685,920	90,866,379
Provision for Doubtful Advances written back (Net)	(42,253,566)	-
Other Expenses	225,889,192	243,902,595
	314,554,302	402,697,561

Note 26

- (a) A Scheme of Amalgamation ("the Scheme") for the amalgamation of Godrej Sea View Properties Limited ("GSVPL" or "the Transferor Company - 1") and Godrej Nandhi Hills Project Private Limited ("GNHPL" or "the Transferor Company - 2") (both wholly owned subsidiaries) with Godrej Properties Limited ("GPL" or "the Transferee Company"), with effect from

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

January 1, 2014, ("the Appointed Date") was sanctioned by the Hon'ble High Court of Judicature at Bombay ("the Court"), vide its Order dated April 11, 2014 and certified copies of the Order of the Court sanctioning the Scheme were filed with the Registrar of Companies, Maharashtra on April 30, 2014 (the "Effective Date"). Accordingly, the standalone results of the Company for the year ended March 31, 2014, include the results of the erstwhile GSVPL and GNHPL for the year ended March 31, 2014.

- (b) The amalgamation has been accounted for under the "Pooling of Interest method" as prescribed by Accounting Standard (AS-14) on "Accounting for Amalgamation" notified under the Companies (Accounting Standards) Rules, 2006. The Company has carried out the accounting treatment specified in the Scheme duly sanctioned by the Hon'ble High Court of Judicature at Bombay. Accordingly, the Scheme has been given effect to in these accounts and all the assets and liabilities of GSVPL and GNHPL stands transferred to and vested in the Transferee Company with effect from the Appointed Date. In accordance with the Scheme, the assets and liabilities of GSVPL and GNHPL have been taken over and recorded at their respective book value as on 1st January 2014.
- (c) The Net Assets of the Transferor Company - 1 and Transferor Company - 2, taken over by the Transferee Company on amalgamation are as under:

(Amount in `)			
Particulars	GSVPL	GNHPL	Total
Fixed Assets	6,864,345	290,000	7,154,345
Cash & Bank Balances	30,088,159	3,327	30,091,486
Inventories	2,750,253,788	3,351,235	2,753,605,023
Trade and other Receivables	1,003,519,482	10,863,121	1,014,382,603
Less: Trade and other Payables	956,980,175	468,501	957,448,676
Net Assets taken over	2,833,745,599	14,039,182	2,847,784,781

- (d) To give effect to the Honorable Bombay High Court's order dated April 11, 2014 regarding Scheme, the following actions have been performed
- (i) The Cost and expenses arising out of or incurred in carrying out and implementing the Scheme amounting to ` 2,500,000/- have been debited in the Statement of Profit & Loss of the Transferee Company.
- (ii) The amount of ` 2,760,049,888/- arising out of the difference between the book value of the net assets of the Transferor Company - 1 and Transferor Company - 2 taken over and cancellation of intercompany investments, loans and advances between the Transferor Company - 1, Transferor Company - 2 and the Transferee Company has been adjusted from the opening balance of General Reserve and opening balance of surplus in the Statement of Profit & Loss as under:

(Amount in `)		
Reserves of GSVPL and GNHPL as on the Appointed Date		(194,665,666)
Less: Adjustments pursuant to merger		
Book Value of the Investments in GSVPL	2,322,271,712	
Book Value of the Investments in GNHPL	245,612,510	
Less: Face Value of shares of GSVPL	(1,500,000)	
Less: Face Value of shares of GNHPL	(1,000,000)	(2,565,384,222)
Net impact on reserves of Company on amalgamation		(2,760,049,888)
Less : Adjustment against opening balance of General Reserve		123,000,000
Less : Adjustment against opening balance of surplus in the statement of Profit & Loss		2,637,049,888

- (e) Since the entire issued, subscribed and paid-up capital of the Transferor Company - 1 and Transferor Company - 2 was held by the Transferee Company, upon the Scheme becoming effective, no shares of the Transferee Company have been allotted in consideration to the merger of GSVPL & GNHPL.
- (f) Since the aforesaid Scheme of merger of the GSVPL & GNHPL with the Company, effective from January 1, 2014, the figures for the current year to that extent are not comparable with those of the previous year.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 27

a) Contingent Liabilities:

Matters		Current year	Previous Year
I)	Claims against Company not Acknowledged as debts;		
i)	Claims against the Company not acknowledged as debts represent cases filed by parties in the Consumer forum, Civil Court and High Court and disputed by the Company as advised by our advocates. In the opinion of the management the claims are not sustainable.	82,115,560	82,999,992
ii)	Claims against the Company under the Labour Laws for disputed cases	1,989,240	1,989,240
iii)	Claims against the Company under Bombay Stamp Act, 1958	14,850,000	14,850,000
iv)	Other Claims against the Company not acknowledged as debts	11,184,920	3,925,000
v)	Claims against the Company under Income Tax Act, Appeal preferred to Commissioner of Income Tax (Appeals)	5,996,853	2,203,685
vi)	Claims against the Company under Sales Tax Act, Appeal preferred to The Joint Commissioner of Commercial Taxes (Appeals)	21,874,981	12,130,007
vii)	Appeal preferred to Customs, Excise and Service Tax Appellate tribunal at Bengaluru	335,102,594	316,499,606
viii)	Demand raised wide audit memo issued by office of Commissioner of Service tax New Delhi	2,656,077	-
II)	Guarantees;		
i)	Guarantees given by Bank, counter guaranteed by the Company	345,188,721	174,168,003
III)	Other Money for which Company is contingently liable		
i)	Letter of credit opened by Bank on behalf of the Company	11,999,908	113,425,102

b) Commitments

Particulars		Current year	Previous Year
I)	Capital Commitment	58,228,849	116,457,776
II)	Uncalled amount of partly paid shares of Tahir Properties Limited	7,850	7,850
III)	Major Contracts Commitment Outstanding for Civil, Elevator, External Development, MEP work etc	6,801,542,124	3,307,928,955

Note 28

a) The Initial Public Offer (IPO) proceeds have been utilized as per objects of the issue as stated in the prospectus as under:

Particulars	(Amount in `)
Amount Received from IPO	4,688,471,300
* Utilization of Funds up to the reporting date :	
Funding to part finance the acquisition of land developments rights and construction costs	2,179,110,000
Repayment of Loans	2,104,011,157
Issue Expenses	405,350,143
TOTAL	4,688,471,300

*Revised Amount Proposed to be utilized as approved by shareholders in AGM held on July 27, 2013.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- b) The Right Issue proceeds have been utilized as per objects of the issue as stated in the letter of offer as under:

Particulars	Current year
Amount Received from Rights Issue	6,999,976,100
* Utilization of Funds up to the reporting date :	
Repayment of Loans	1,451,200,000
Issue Expenses	90,136,100
Balance unutilized amount temporarily invested in	
Mutual Funds	5,458,640,000
TOTAL	6,999,976,100

* As on 31st March, 2014, unutilized funds have been temporarily invested in mutual funds schemes as mentioned in the letter of offer of the Company.

Note 29

Dues to Micro and Small Enterprise

Disclosure of trade payables and other liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small & Medium Enterprises Development Act 2006". There is no amount overdue as on 31st March, 2014 to Micro & Small Enterprises on account of principal amount together with interest and also during the previous year.

Note 30

Amounts paid to Auditors:

Particulars	Current year	Previous Year
Audit Fees	5,729,892	5,618,000
Audit Under Other Statutes	3,775,296	1,926,974
Taxation Matters	1,853,940	1,431,887
Certification	296,074	240,453
Reimbursement of Expenses	6,532	7,198
	11,661,734	9,224,512

Note 31

Employee Stock Option Plan:

- a) During the financial year ended 31st March, 2008, the Company instituted an Employee Stock Option Plan (GPL ESOP) approved by the Board of Directors, Shareholders and the Remuneration Committee, which provided allotment of 885,400* options convertible into 885,400* Equity Shares of ` 5/- each (Previous Year 442,700 Equity Shares of ` 10/- each) to eligible employees of Godrej Properties Limited and its Subsidiary Companies (the Participating Companies) with effect from 28th December, 2007.

The Scheme is administered by an Independent ESOP Trust which has purchased shares from Godrej Industries Limited (The Holding Company), equivalent to the number of options granted to the eligible employees of the Participating Companies.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	No. of Options		Weighted Average Exercise Price (`)
	As on March 31, 2014	As on March 31, 2013	
Options Outstanding at the beginning of the year	561,400*	635,400*	310.00 (plus interest) till March 31,2012 for Equity Share of Face Value of ` 5/- each
Options granted	-	-	
Options exercised	-	-	
Less : Forfeited / Lapsed /Idle/ Available for Reissue	46,000*	74,000*	
Options Outstanding at the year end	515,400	561,400*	310.00 (plus interest) till March 31,2012 for Equity Share of Face Value of ` 5/- each)

* Represents no. of equity shares post split from equity share of ` 10 each to equity share of ` 5 each.

All the Option Outstanding as on March 31 2014 are vested.

- b) In the current year, in accordance with the opinion issued by the Expert Advisory Committee (EAC) of the ICAI in 2014 on Consolidation of ESOP Trust in the standalone financial statements, the Company has included the financial statements of the ESOP trust for preparation of the standalone financial statements. Consequently, the assets and liabilities of the Trust have been included in the financial statements of the Company and investments in the equity shares of the Company held by the Trust has been reduced from the share capital and reserves & surplus.

Balances arising from transactions between the Company and the Trust have been appropriately eliminated. The opening retained earnings of the Trust have been adjusted against reserves & surplus.

- c) The Company has provided loan of ` 74,840,920/- (Previous Year ` 75,320,420/-) to Godrej Industries Limited Employee Stock Option Scheme (GIL ESOP), which is administered by an independent ESOP Trust which purchases shares of GIL from the market equivalent to the number of stock options granted from time to time to eligible employees. The repayment of the loans granted by the Company to ESOP trust is dependent on the exercise of the options by the employees and the market price of the underlying shares of the unexercised options at the end of the exercise period.

Note 32**Employee Stock Grant Scheme**

- a) During the period April 1, 2011 to March 31, 2014, the Company instituted an Employee Stock Grant Scheme (GPL ESGS) approved by the Board of Directors, shareholders and the Remuneration Committee, which provided allotment of 342,208 options convertible into 342,208 Equity Shares of ` 5/- each (Previous Year Equity Shares of ` 10/- each) to eligible employees of Godrej Properties Limited, its Holding and its Subsidiary Companies (the Participating Companies) 82,406* options with effect from 7th May, 2011, 3,756* options w.e.f. 1st October 2011 , 72,416* options w.e.f. 1st June 2012, 22,040* options w.e.f. 1st June 2012, 4,436* options w.e.f. 1st August 2012, 690* options w.e.f. 1st November 2012, 720* options w.e.f. 1st February 2013, 30,000* options 1st June 2013 and 1,25,744* options 1st June 2013. Out of the total 342,208* stock grants 35,234* stock grants have lapsed on account of employees leaving the service of the company before the vesting date, 83,616* stock grants has been vested and exercised, hence 223,358* stock grants are outstanding as at March 31, 2014.

Particulars	No. of Options		Exercise Price (`)
	As on March 31, 2014	As on March 31, 2013	
Options Outstanding at the beginning of the year	132,662*	59,286*	5.00
Options granted	155,744*	100,302*	
Options exercised	65,048*	18,568*	
Less : Option lapsed	-	8,358*	
Options Outstanding at the year end	223,358*	132,662*	5.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

*Represents no. of equity shares post split from equity share of ` 10 each to equity share of ` 5 each.

Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option is ` 5.28 per share as on March 31, 2014.

- c) Employee compensation cost using the intrinsic value method recognized by the company in the Statement of Profit & Loss as on March 31, 2014 is ` 38,099,758/-
- d) The Fair Value of the share options has been determined using the Black – Scholes Option Pricing Model. Had the fair value method of accounting been used, the earnings per share would have been as per the pro forma amounts indicated below.

(Amount in `)

Particulars	Current year	Previous Year
Net Profit (as reported)	976,517,351	1,226,677,478
Add: Stock based compensation expense determined under Intrinsic Value method recognized in Statement of Profit & Loss	38,099,758	20,549,623
Less: Stock based compensation expense determined under fair value based method (Pro Forma)	37,767,282	20,385,936
Net Profit (Pro Forma)	976,849,827	1,226,841,165
Basic Earnings per share (as reported)	5.28	7.28
Diluted Earnings per share (as reported)	5.28	7.27
Basic Earnings per share (Pro Forma)	5.31	7.28
Diluted Earnings per share (Pro Forma)	5.30	7.28

Note 33

The amount of exchange difference included in the Statement of Profit and Loss, is ` 45,555/- (net gain) under the head Other Income (Previous Year ` 640,397/-(net loss)).

Note 34

i) Expenditure in Foreign Currency

(Amount in `)

Particulars	Current year	Previous Year
Architect Fees	-	1,788,830
Advertisement	8,105,887	7,647,731
Brokerage	42,906,538	-
Consultancy Fees	-	4,820,620
Travelling Expenditure	12,149,246	-
Other Expense	1,959,370	11,049,025
Total	65,121,041	25,306,206

ii) Un-hedged Foreign Currency Exposures

Particulars	Current year		Previous Year	
	Foreign Currency	Amount in `	Foreign Currency	Amount in `
Uncovered Foreign currency exposure as at the year end				
US Dollar	-	-	40,150	2,183,730
Euro	-	-	4,800	333,810
Australian Dollar	-	-	11,073	625,938

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 35

Employee Benefits

(a) Defined Contribution Plans:

Contribution to Defined Contribution Plan, recognized as expense for the year are as under:

(Amount in `)

Particulars	Current year	Previous Year
Employers' Contribution to Provident Fund	29,006,491	20,052,100
Employers' Contribution to ESIC	56,927	116,685

(b) Defined Benefit Plans:

Contribution to Gratuity Fund

Gratuity is payable to all eligible employees on death or on separation/termination in terms of the provisions of the Payment of Gratuity Act or as per the Company's policy whichever is beneficial to the employees.

The following table sets out the funded status of the gratuity plan and the amounts recognized in the Company's financial statements:

The estimates of future salary increases, considered in actuarial valuation, take into account

inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(Amount in `)

Particulars	Current year	Previous Year
Change in present value of obligation		
Present value of obligation as at beginning of the year	19,357,297	12,894,825
Interest Cost	1,548,584	1,096,060
Service Cost	4,250,999	3,339,378
Benefits Paid	(2,431,228)	(1,861,974)
Effect of Liability Transfer in	476,456	3,972,250
Effect of Liability Transfer out	(86,617)	-
Actuarial (gain)/loss on obligation	1,026,080	(83,241)
Present value of obligation, as at end of the year	24,141,571	19,357,297
Amount recognized in the Balance Sheet		
Present value of obligation, as at end of the year	24,141,571	19,357,297
Fair value of plan assets as at end of the year	-	-
Net obligation as at end of the year	24,141,571	19,357,297
Net gratuity cost for the year ended		
Current Service Cost	4,250,999	3,339,378
Interest Cost	1,548,584	1,096,060
Expected return on plan assets	-	-
Past Service Cost (Vested Benefit)	-	-
Net Actuarial (gain)/loss to be recognized	1,026,080	(83,241)
Net gratuity cost	6,825,663	4,352,197

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Assumptions used in accounting for the gratuity plan for last 5 Years	2013-14	2012-13	2011-12	2010-11	2009-10
Discount Rate	9.31%	8%	8.5%	8%	7.75%
Salary escalation rate	5%	5%	5%	5%	4.75%
Attrition Rate	1%	1%	1%	-	-
Experience adjustment on Plan liability (Amount in `)	5,233,525	1,209,213	7,042,698	3,206,416	423,180

Note 36

Segment Information:

As the company has only one business segment, disclosure under Accounting Standard 17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India is not applicable.

Note 37

Related Party Disclosures:

Related party disclosures as required by AS - 18, "Related Party Disclosures", are given below:	
i)	Relationships: Shareholders (Holding Company) Godrej Industries Limited (GIL) holds 61.62% (Previous Year – 61.46%) shares in the Company. GIL is the subsidiary of Godrej & Boyce Mfg. Co. Limited, the Ultimate Holding Company.
ii)	Subsidiaries & Associates : Godrej Realty Private Limited (51%) Godrej Real Estate Private Limited (100%) Godrej Sea View Properties Limited (50.10% upto June 30, 2013 & 100% from July 1, 2013 to December 31, 2013) (Converted into Public Limited Company w.e.f. 1st November, 2013) Godrej Developers Limited (51% upto March 31, 2013) Happy Highrises Limited (51%) Godrej Estate Developers Limited (51% upto June 27, 2013 & 100% from June 28, 2013 to December 31, 2013) (Converted into Public Limited Company w.e.f. 7th November, 2013) Godrej Buildwell Private Limited (49%) (Subsidiary due to control over composition of Board of Directors) Godrej Buildcon Private Limited (100%) Godrej Projects Development Private Limited (100%) Godrej Premium Builders Private Limited (51%) Godrej Garden City Properties Private Limited (100%) Godrej Nandhi Hills Project Private Limited (100% up to December 31, 2013) Godrej Green Homes Limited (w.e.f. December 24, 2013). Wonder City Buildcon Private Limited (w.e.f. August 30, 2013). Godrej Landmarks Redevelopers Private Limited (51%) (Sub Subsidiary) Godrej Redevelopers (Mumbai) Private Limited (100%) (Sub Subsidiary) Wonder Space Properties Private Limited (100% upto June 27, 2013 & 25.10% from June 28, 2013)
iii)	Limited Liability Partnership : Godrej Buildcorp LLP Godrej Property Developers LLP Godrej Vikhroli Properties LLP Mosaic Landmarks LLP Dream World Landmark LLP SSPDL Green Acres LLP Oxford Realty LLP

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

iv)	<p>Other Related Parties in Godrej Group, where common control exists :</p> <p>Godrej Investments Private Ltd. Godrej Infotech Ltd. Wadala Commodities Ltd. Vora Soaps Limited Cartini India Limited Bahar Agrochem & Feeds Private Limited Godrej (Malaysia) Sdn. Bhd. (incorporated in Malaysia) Godrej (Singapore) Pte. Ltd. (incorporated in Singapore) Veromatic International BV (incorporated in the Netherlands) Busbar Systems (India) Ltd (formerly, Busbar Systems (India) Private Limited), (a Wholly-owned subsidiary w.e.f. 1st February, 2013)(name changed w. e. f. 15th March, 2013) Mercury Mfg. Co. Ltd. (a subsidiary w.e.f. 1st October, 2013)</p>
	<p>A. Subsidiaries of Godrej Industries Ltd.:</p> <ol style="list-style-type: none"> Godrej Agrovet Ltd. (GAVL) Ensemble Holdings & Finance Ltd. Godrej International Ltd. (incorporated in the Isle of Man) Natures Basket Ltd. Godrej International Trading & Investments Pte Ltd. (Incorporated in Singapore) (a subsidiary of Godrej Industries Ltd w.e.f. 1st August, 2011) Swadeshi Detergents Limited (a subsidiary of Godrej Industries Ltd w.e.f. 20th March, 2013)
	<p>B. Subsidiaries of GAVL:</p> <ol style="list-style-type: none"> Golden Feed Products Ltd. Godrej Seeds & Genetics Limited Goldmuhor & Agrochem Feeds Limited (w.e.f. 2nd January, 2013) Godrej Agrochem Ltd. (a subsidiary of GAVL incorporated on 22nd January, 2014)
	<p>C. Subsidiary of Godrej (Malaysia) Sdn. Bhd.:</p> <ol style="list-style-type: none"> G&B Enterprises (Mauritius) Pvt. Ltd. (incorporated in Mauritius) (a wholly-owned subsidiary of Godrej (Malaysia) Sdn. Bhd.)
	<p>D. Subsidiaries of Godrej (Singapore) Pvt. Ltd.:</p> <ol style="list-style-type: none"> JT Dragon Pte. Ltd. (Incorporated in Singapore) Godrej (Vietnam) Co. Ltd. (Incorporated in Vietnam) (a wholly owned subsidiary of JT Dragon Pte. Ltd.)
	<p>E. Subsidiaries of Veromatic International BV:</p> <ol style="list-style-type: none"> Veromatic Services BV (incorporated in the Netherlands) Water Wonder Benelux BV (incorporated in the Netherlands)
	<p>F. Other Subsidiaries (where the Group Company owns directly and/or indirectly through one or more subsidiaries, more than one half of the equity share capital)</p> <ol style="list-style-type: none"> Godrej Consumer Products Ltd. (GCPL)
	<p>G. Subsidiaries and Sub-subsidiaries of GCPL:</p> <ol style="list-style-type: none"> Godrej South Africa (Proprietary) Ltd. (formerly, Rapidol (Pty) Ltd.) (incorporated in South Africa) Godrej Netherlands BV (incorporated in Netherlands) Godrej Global MidEast FZE (incorporated in Sharjah, U.A.E.) Godrej Consumer Products Mauritius Ltd. Godrej Hygiene Products Ltd. (merged with GCPL w.e.f. 1st April, 2013) Godrej Consumer Products Holding (Mauritius)Ltd.(incorporated in Mauritius) Godrej Household Products Lanka Pvt. Ltd. (incorporated in Sri Lanka) Godrej Household Products Bangladesh Pvt. Ltd. (incorporated in Bangladesh) Godrej Consumer Products Bangladesh Ltd. (incorporated in Bangladesh) Godrej Mauritius Africa Holdings Ltd.(incorporated in Mauritius) Godrej Weave Holdings Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Mauritius Africa Holdings Ltd.) Godrej Consumer Products (UK) Ltd. (incorporated in the United Kingdom) (a subsidiary of Godrej Netherlands BV) Godrej Consumer Products (UK) Ltd. (name changed from Keyline Brands Ltd. w.e.f. 5th July, 2013) Inecto Manufacturing Ltd. (a subsidiary of Keyline Brands Ltd.)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	<ol style="list-style-type: none"> 15. Godrej Kinky Holdings Ltd.(a subsidiary of Godrej Consumer Products Mauritius Ltd) 16. Kinky Group Pty Ltd.(a subsidiary of Godrej Kinky Holdings Ltd) 17. Godrej Nigeria Ltd. (incorporated in Nigeria) (a subsidiary of Godrej Nigeria Holdings Ltd) 18. Indovest Capital Ltd. (incorporated in Malaysia) (a subsidiary of Godrej Consumer Products Holding (Mauritius) Ltd.) 19. Godrej Consumer Products Dutch Cooperatief UA, (incorporated in the Netherlands) (a subsidiary of Godrej Consumer Products Holding (Mauritius) Ltd) 20. Godrej Consumer Holdings (Netherlands) BV (incorporated in the Netherlands) (a subsidiary of Godrej Consumer Products Dutch Cooperatief UA) 21. Godrej Consumer Products (Netherlands) BV (incorporated in the Netherlands) (a subsidiary of Godrej Consumer Products Dutch Cooperatief UA) 22. Godrej Indonesia Netherlands Holding BV (incorporated in the Netherlands) (a subsidiary of Godrej Consumer Products Dutch Cooperatief UA) (merged with Godrej Consumer Holding (Netherlands) 23. PT Megasari Makmur (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV) 24. PT Intrasaki Raya (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV) 25. PT Simba Indosnack Makmur (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV) upto 21st March, 2013) 26. PT Ekamas Sarijaya (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV) 27. PT Indomas Susemi Jaya (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV) 28. PT Sarico Indah (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV) 29. Godrej Argentina Dutch Cooperatief UA (incorporated in Netherlands) (a subsidiary of Godrej Consumer Products Mauritius Ltd.) 30. Godrej Netherlands Argentina Holding BV . (incorporated in Netherlands) (a subsidiary of Godrej Argentina Dutch Cooperatief UA) 31. Godrej Netherlands Argentina BV (incorporated in the Netherlands) (a subsidiary of Godrej Argentina Dutch Cooperatief UA) 32. Panamar Procuccioness Srl (incorporated in Argentina) (a subsidiary of Godrej Netherlands Argentina BV) 33. Argencos S.A. (incorporated in Argentina) (a subsidiary of Godrej Netherlands Argentina BV) 34. Laboratoria Cuenca S.A. (incorporated in Argentina) (a subsidiary of Godrej Netherlands Argentina BV) 35. Issue Group Uruguay S.A. (incorporated in Uruguay) (a subsidiary of Laboratoria Cuenca S.A.) 36. Deciral S.A. (incorporated in Uruguay) (a subsidiary of Laboratoria Cuenca S.A.) 37. Issue Group Brazil Ltd. (incorporated in Brazil) (a subsidiary of Laboratoria Cuenca S.A.) 38. Consell S.A . (incorporated in Argentina) (a subsidiary of Laboratoria Cuenca S.A.) 39. Godrej Consumer Products Nepal Pvt. Ltd. 40. Subinite Pty Ltd. (incorporated in South Africa) (a subsidiary of Weave Business Holdings Mauritius Pvt. Ltd.) 41. Lorna Nigeria Ltd (incorporated in Nigeria) (a subsidiary of Weave Business Holdings Mauritius Pvt. Ltd. 42. Weave IP Holding Mauritius Pvt. Ltd. (incorporated in Mauritius) (a subsidiary of Weave Business Holdings Mauritius Pvt. Ltd.) 43. DGH Mauritius Pvt. Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Weave Holdings Ltd.) 44. Weave Business Holdings Mauritius Pvt. Ltd. (incorporated in Mauritius) (a subsidiary of DGH Mauritius Pvt. Ltd.) 45. Weave Trading Mauritius Pvt. Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Weave Holdings Ltd.) 46. Hair Trading (offshore) S. A. L. (incorporated in Lebanon) (a wholly-owned subsidiary of Weave Trading Mauritius Pvt Ltd.) 47. Weave Mozambique Limitada (incorporated in Mozambique) (a subsidiary of Weave Business Holdings Mauritius Pvt Ltd) 48. Godrej Consumer Investments (Chile) Spa, (incorporated in Chile) (a subsidiary of Godrej Netherlands BV) 49. Godrej Holdings (Chile) Limitada, (incorporated in Chile) (a subsidiary of Godrej Consumer Investments Spa) 50. Cosmetica Nacional, (incorporated in Chile) (a subsidiary of Godrej Holdings (Chile) Limitada) 51. Plasticos Nacional, (incorporated in Chile) (a subsidiary of Cosmetica Nacional) 52. Godrej East Africa Holdings Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Consumer Products Ltd.) 53. Style Industries Ltd. (incorporated in Kenya) (a subsidiary of DGH Phase Two Mauritius Pvt. Ltd. 54. DGH Phase Two Mauritius Pvt. Ltd. (incorporated in Mauritius) (a subsidiary Godrej East Africa Holdings Limited) 55. Godrej Tanzania Holdings Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Consumer Products Ltd.)
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	56. DGH Tanzania Ltd (incorporated in Tanzania) (a subsidiary of Godrej Tanzania Holdings Ltd. w.e.f. 6th December, 2012) 57. Sigma Hair Ind Ltd (incorporated in Tanzania) (a subsidiary of DGH Tanzania Ltd w.e.f. 19th December, 2012) 58. Godrej West Africa Holdings Ltd. (incorporated in Mauritius on 11th February, 2014) (a subsidiary of DGH Mauritius Pvt. Ltd.) 59. Godrej Consumer Investments Holding Ltd. (incorporated in Mauritius on 8th October, 2013)
v)	Key Management Personnel : Mr. Pirojsha Godrej Mr. V. Srinivasan Mr. K.T. Jithendran
vi)	Individuals exercising Significant Influence : Mr. A. B. Godrej Mr. N. B. Godrej

2. The following transactions were carried out with the related parties in the ordinary course of business.

(i) Details relating to parties referred to in items 1 (i), (ii) (iii) & (iv) above

(Amount in `)

Sr. No	Description	Godrej & Boyce Mfg Co Ltd (i)	Godrej Industries Ltd (i)	Subsidiaries & Limited Liability Partnership (ii) & (iii)	Other Related Parties In Godrej Group (iv)
1.	Investment in Equity Share / Capital Account	113,861,800 -	4,362,293,975 -	1,676,148,327 -	- -
2.	Sale of Investment	- -	- -	759,534,852 -	- -
3.	Purchase of fixed assets	1,109,070 1,054,188	262,500,000 -	- -	- -
4.	Purchase of Units	- -	- -	91,419,415 147,726,786	- -
5.	Loans & Advances given	- -	- -	11,868,458,209 10,057,523,366	- -
6.	Amount paid against Purchase of Unit	- -	- -	60,388,054 240,472,655	- -
7.	Advance given against sale of flats	- -	- -	3,959,644 37,150,133	- -
8.	Advances repaid	- -	- -	8,591,845,301 11,306,890,075	- -
9.	Deposit given	- -	2,475,000 1,315,000	- -	- -
10.	Deposit repaid	- -	1,875,000 1,600,000	- -	- -
11.	Income Received from other Companies / Entities	545,654,200 444,387,093	26,400 26,400	78,733,691 34,349,040	- 137,900
12.	Expenses charged by other Companies / Entities	146,669,579 52,885,030	50,534,389 65,644,822	241,450,514 36,023,942	4,865,279 7,330,086

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Sr. No	Description	Godrej & Boyce Mfg Co Ltd (i)	Godrej Industries Ltd (i)	Subsidiaries & Limited Liability Partnership (ii) & (iii)	Other Related Parties In Godrej Group (iv)
13.	Expenses charged to other Companies / Entities	- -	- -	1,279,980,163 <i>1,210,410,370</i>	- -
14.	Share of Profit in LLP	- -	- -	825,369,053 <i>761,046,007</i>	- -
15.	Amount received on transfer of Employee (Net)	- -	2,659,587 <i>11,579,502</i>	- -	3,327,984 <i>1,510,228</i>
16.	Amount paid on transfer of Employee (Net)	- -	- -	- -	144,830 -
17.	Dividend Paid / (Received)	5,080,000 <i>3,810,000</i>	191,860,836 <i>143,895,627</i>	-	5,924,620 <i>5,753,550</i>
18.	Outstanding receivables, net of (payables)	428,758,770 <i>(8,450,801)</i>	(5,612,588) <i>(17,934,629)</i>	12,840,739,451 <i>8,504,203,767</i>	1,394,124 <i>50,406</i>
19.	Deposits Receivable	- -	6,540,000 <i>5,940,000</i>	- -	- -
20.	Project taken over	- -	- -	(355,656,243) <i>1,771,547</i>	- -
21.	Redemption of Debentures	- -	- -	- <i>46,609,050</i>	- -
22.	Debenture Outstanding	- -	- -	371,586,950 <i>28,718,760</i>	- -

Figures in italics are for previous year

(i) **Details relating to parties referred to in items 1 (v) & (vi) above**

(Amount in `)

Sr. No	Key Management Personnel (KMP)	Current Years	Previous Year
1.	Remuneration	83,513,519	67,809,114
2.	Dividend Paid	2,155,828	1,573,440
3.	Interest paid on Deposit	26,250	20,636
4.	Deposit Outstanding	250,000	-
5.	Amount received from Sale of Flats/ Units to KMP & their relative	20,174,135	8,594,520
6.	Issue of Equity Shares (Right Shares) to KMP & their relatives	142,240,150	-
7.	Individuals exercising significant Influence :		
	Dividend paid – Mr. N. B. Godrej	6,249,000	4,686,750
	Amount received from Sale of Flats/ Units - Mr. N. B. Godrej	711,837	1,447,411
	Issue of Equity Shares (Right Shares)	140,063,625	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3. Significant Related Party Transactions.

Nature of Transactions	Subsidiaries & Other Related Parties in the Godrej Group	Amount in (₹)
Investment in Equity Share Capital/ Capital Account	Godrej Sea View Properties Limited	1,159,200,000
	Godrej Projects Development Private Limited	-
		500,000,000
		-
Purchase of fixed assets	Godrej & Boyce Mfg Co. Limited	1,109,070
	Godrej Industries Limited	1,054,188
		262,500,000
		-
Purchase of Units	Godrej Vikhroli Properties LLP	91,419,415
		147,726,786
Advances given	Godrej Projects Development Private Limited	2,250,242,724
		626,665,100
	Godrej Buildcon Private Limited	2,613,674,213
		1,683,087,690
	Godrej Vikhroli Properties LLP	2,996,095,319
		3,470,884,805
	Wonder Space Properties Private Limited	1,303,000,000
	Godrej Developers Private Limited	-
		1,307,192,100
	Godrej Estate Developers Limited (upto December 31, 2013)	280,763,300
		561,513,178
	Godrej Buildwell Private Limited	393,665,667
		527,897,800
	Happy Highrises Limited	828,073,800
		1,031,900,080
Amount paid against Purchase of Unit	Godrej Vikhroli Properties LLP	60,388,054
		240,472,655
Advance given against sale of unit	Godrej Vikhroli Properties LLP	3,959,644
		37,150,133
Deposit Receivable	Godrej Industries Limited	6,540,000
		5,940,000
Advances Repaid	Godrej Projects Development Private Limited	1,178,215,523
		215,560,000
	Happy Highrises Limited	982,502,000
		122,765,566
	Godrej Vikhroli Properties LLP	2,605,270,635
		7,508,779,616
	Wonder Space Properties Private Limited	1,303,000,000
		-
	Godrej Estate Developers Limited (upto December 31, 2013)	438,142,470
		291,814,400
	Godrej Buildcon Private Limited	462,290,014
		793,535,000
	Godrej Developers Private Limited	-
		604,996,359

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Nature of Transactions	Subsidiaries & Other Related Parties in the Godrej Group	Amount in (₹)
Deposit Given	Godrej Industries Limited	2,475,000 1,315,000
Deposit Repaid	Godrej Industries Limited	1,875,000 1,600,000
Sale of Investment	Godrej Sea View Properties Limited	739,190,230 -
Income Received from other Companies	Godrej & Boyce Mfg. Co. Limited Godrej Premium Builders Private Limited Wonder Space Properties Private Limited	545,654,200 444,387,093 33,347,760 33,690,028 87,571,031 -
Expenses charged by other companies.	Godrej & Boyce Mfg. Co. Limited Godrej Industries Limited Godrej Realty Private Limited Godrej Vikhroli Properties LLP	146,669,579 52,885,030 50,534,389 65,644,822 - 6,877,525 241,450,514 29,146,417
Expenses charged to other companies / entities	Happy Highrises Limited Godrej Real Estate Private Limited Godrej Developers Private Limited Godrej Buildcon Private Limited Godrej Vikhroli Properties LLP Godrej Projects Development Private Limited Godrej Seaview Properties Limited (upto December 31,2013) Godrej Estate Developers Limited (upto December 31,2013)	172,484,911 191,858,154 95,221,238 54,850,098 - 84,920,382 292,564,941 75,939,169 61,229,965 234,634,352 334,377,889 68,916,822 72,572,680 183,496,182 69,204,901 214,521,741
Share in Profit of LLP	Godrej Vikhroli Properties LLP	750,764,434 761,046,007
Amount received on transfer of Employee (Net)	Godrej Industries Limited Godrej Consumer Products Limited	2,659,587 11,579,502 3,327,984 1,510,228
Amount paid on transfer of Employee (Net)	Godrej Consumer Products Limited	144,830 -

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Nature of Transactions	Subsidiaries & Other Related Parties in the Godrej Group	Amount in (₹)
Outstanding receivables, net of (payables)	Godrej & Boyce Mfg. Co. Ltd.	428,758,770 (8,450,801)
	Godrej Industries Limited	(5,612,588) (17,934,629)
	Godrej Real Estate Private Limited	1,513,429,548 1,385,918,311
	Happy Highrises Limited	1,794,536,798 1,787,259,118
	Godrej Developers Private Limited	- 1,380,921,044
	Godrej Estate Developers Limited(Upto December 31,2013)	- 1,783,399,829
	Godrej Buildcon Private Limited	3,410,024,669 966,075,529
	Godrej Nandhi Hills Project Private Limited (upto December 31, 2013)	- (209,881,490)
	Mosiac Landmark LLP	317,571,057 229,570,401
	Godrej Projects Development Private Limited	3,271,769,526 503,213,799
	Godrej Vikhroli Properties LLP	(2,463,854,786) (2,674,458,922)
	Godrej Consumer Products Private Limited	1,447,915 96,123
Deposit Receivable	Godrej Industries Limited	6,540,000 5,940,000
Project taken over / (Project Transferred)	Godrej Estate Developers Limited	(355,651,230) -
	Godrej Buildcorp LLP	- 1,771,547
Dividend Paid / Received	Godrej & Boyce Mfg. Co. Ltd.	5,080,000 3,810,000
	Godrej Industries Limited	191,860,836 143,895,627
Debenture Outstanding	Wonder Space Properties Private Limited	341,696,000 -
Redemption of Debentures	Godrej Realty Private Limited	- 46,609,050

Note 38

Leases

- a) The Company's significant leasing arrangements are in respect of operating leases for Residential premises. Lease income from operating leases is recognized on a straight-line basis over the period of lease. The particulars of the premises given under operating leases are as under:

(Amount in ₹)

Particulars	Current year	Previous Year
Future minimum lease payments under operating leases		
➤ Not later than 1 year	11,511,094	26,400
➤ Later than 1 year and not later than 5 years	48,341,314	105,600
➤ Later than 5 years	462,308,609	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- b) The Company's significant leasing arrangements are in respect of operating leases for Commercial / Residential premises. Lease expenditure for operating leases is recognized on a straight-line basis over the period of lease. These Leasing arrangements are cancellable, and are renewable on a periodic basis by mutual consent on mutually accepted terms. The particulars of the premises taken on operating leases are as under:

(Amount in `)

Particulars	Current year	Previous Year
Future minimum lease payments under operating leases		
➤ Not later than 1 year	65,491,685	62,490,927
➤ Later than 1 year and not later than 5 years	45,064,839	38,691,549
➤ Later than 5 years	24,235,473	-

Note 39

Earnings Per Share

(Amount in `)

Particulars	Current year	Previous Year
Profit after tax and prior year's tax adjustments as per Statement of Profit & Loss. (`)	976,517,351	1,226,677,478
Number of Shares at the beginning of the year	156,092,206*	156,073,638*
Number of Equity shares outstanding at the end of the year	199,234,030*	156,092,206*
Weighted average no. of equity shares outstanding	184,887,828*	168,575,327*
Add: Weighted average number of potential equity shares on account of employee stock options	99,357*	57,488*
Weighted average no. of common & dilutive common equity shares outstanding (Numbers)	184,987,185	168,632,815*
Basic earnings per share	` 5.28	` 7.28
Diluted earnings per share	` 5.28	` 7.27
Nominal value of shares	` 5	` 5

* Represents no of equity shares post split from equity share of ` 10 each to equity share of ` 5 each

Note 40

Interest in Joint Ventures

The Company's interests, as venturer, in jointly controlled entities are:

Name	Countries of Incorporation	Principal activities	Percentage of Ownership interest as at March 31, 2014	Percentage of Ownership interest as at March 31, 2013
Godrej Buildcorp LLP	India	Real Estate	35%	35%
Godrej Property Developers LLP	India	Real Estate	32%	32%
Wonder Space Properties Private Limited	India	Real Estate	25.1%	-

The Company's interests in Joint Ventures are reported as Short term Loans & Advances. The Company's share of each of Assets, liabilities, income and expenses, etc related to interest in these Joint Ventures are:

(Amount in `)

Particulars	Current Year	Previous Year
LIABILITIES	407,808,290	89,850
ASSETS	407,808,290	89,850
INCOME	12,525,343	-
EXPENDITURE	11,993,006	5,844

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 41

Information in respect of Joint Development Projects.

Joint Development Projects - Development of the following Residential / Commercial Projects:

Godrej Gold County, Bengaluru	-	Revenue Sharing
Edenwoods, Mumbai	-	Revenue / Profit Sharing
Bhugaon, Pune	-	Profit Sharing
Godrej Alpine, Manglore	-	Area Sharing / Revenue Sharing
Sanjay Khan, Bengaluru	-	Revenue Sharing
Grenville Park, Mumbai	-	Profit Sharing
Godrej Garden City, Ahmedabad	-	Area Sharing / Revenue Sharing
Godrej Crest, Bengaluru	-	Area Sharing / Revenue Sharing
Kochi	-	Revenue Sharing
Umbarde, Kalyan	-	Revenue Sharing
Godrej Frontier, Gurgaon	-	Area Sharing / Revenue Sharing
Godrej Serenity, Mumbai	-	Area Sharing / Revenue Sharing
Waterside IT Park, Kolkata	-	Area Sharing
Godrej Eternia, Chandigarh	-	Revenue Sharing
Godrej Palm Grove, Chennai	-	Revenue Sharing
Nandhi Hills, Bengaluru	-	Revenue Sharing
Godrej Anandam , Nagpur	-	Revenue Sharing
Godrej Platinum, Mumbai	-	Revenue Sharing
Godrej Palms, Mumbai	-	Area Sharing
Electronic City, Bengaluru	-	Revenue Sharing
Moosapet, Hyderabad	-	Revenue Sharing
Godrej Platinum, Kolkata	-	Revenue Sharing
Godrej United, Whitefield	-	Revenue Sharing
Godrej Enclave	-	Revenue Sharing
Godrej Oasis, Gurgaon	-	Profit Sharing
Godrej City, Mumbai	-	Profit Sharing
Bhandup, Mumbai	-	Revenue Sharing

Note 42

Previous year figures have been regrouped wherever necessary to conform to current year's classification.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

STATEMENT REGARDING SUBSIDIARY COMPANY PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

1 Name of the Subsidiary Company	Godrej Estate Developers Limited (Upto 31st Dec, 2013)	Godrej Real Estate Private Limited	Godrej Realty Private Limited	Godrej Sea View Properties Limited Upto 31st Dec, 13	Godrej Redevelopers (Mumbai) Private Limited	Happy Highrises Limited
2 The Company's interest in the subsidiaries as on 31st March, 2014						
a. Number of Equity Shares	6,00,000	50,000	884,850	1,500,000	27,384	103,592
Total Number of Shares	6,00,000	50,000	1,735,000	1,500,000	53,695	203,120
b. Face Value (₹)	1	10	10	1	10	10
c. Extent of Holding	100.00%	100.00%	51.00%	100%	51.00%	51.00%
3 Net aggregate profit/(loss) of the subsidiary company so far it concerns the members of the Company						
A. For the financial year ended on 31st March, 2014						
i. Not dealt with in the books of Accounts of the Company	(1,416,189)	(291,665)	(327,837)	122,430,470	10,459,945	91,716,044
ii. Dealt with in the books of account of the Company	-	-	-	-	-	-
B. For the subsidiary company's previous financial years since it became a subsidiary						
i. Not dealt with in the books of Accounts of the Company	(21,052,072)	(1,401,454)	10,511,693	10,983,913	455,130	318,657,562
ii. Dealt with in the books of account of the Company	-	-	-	-	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. Name of the Subsidiary Company	Godrej Buildwell Private Limited	Godrej Buildcon Private Limited	Godrej Projects Development Private Limited	Godrej Garden City Properties Private Limited	Godrej Premium Builders Private Limited	Godrej Nandi Hills Project Private Limited (Upto 31 st Dec, 2013)
2. The Company's interest in the subsidiaries as on 31 st March, 2014						
a. Number of Equity Shares	25,500	50,000	100,000	50,000	25,500	100,000
Total Number of Shares	53,222	50,000	100,000	50,000	50,000	100,000
b. Face Value (₹)	10	10	10	10	10	10
c. Extent of Holding	48.00% & Control over composition of BOD	100.00%	100%	100%	51.00%	100%
3. Net aggregate profit/(loss) of the subsidiary company so far it concerns the members of the Company						
A. For the financial year ended on 31 st March, 2014	31,255,417	(630,890)	361,291,082	2,144,121	64,752,005	(1,000)
i. Not dealt with in the books of Accounts of the Company	-	-	-	-	-	-
ii. Dealt with in the books of account of the Company						
B. For the subsidiary company's previous financial years since it became a subsidiary						
i. Not dealt with in the books of Accounts of the Company	115,216	(852,600)	210,611,712	(601,944)	1,427,615	129,553,174
ii. Dealt with in the books of account of the Company	-	-	-	-	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. Name of the Subsidiary Company	Godrej Landmark Redevelopers Pvt. Ltd.	Godrej Green Homes Limited	Wonder City Buildcon Private Limited	Godrej Vikhroli Property LLP	Godrej Developers Private Limited (Upto 31st March, 2013)
2 The Company's interest in the subsidiaries as on 31st March, 2014					
a. Number of Equity Shares	25,500	50,000	50,000	NA	-
Total Number of Shares	50,000	50,000	50,000	NA	-
b. Face Value (')	10	10	10	NA	-
c. Extent of Holding	51.00%	100.00%	100.00%	Control over LLP	(51% Upto March 31, 2013)
3 Net aggregate profit/(loss) of the subsidiary company so far it concerns the members of the Company					
A. For the financial year ended on 31st March, 2014					
i. Not dealt with in the books of Accounts of the Company	316,344	(88,094)	(68,061)	772,343,639	-
ii. Dealt with in the books of account of the Company	-	-	-	-	-
B. For the subsidiary company's previous financial years since it became a subsidiary					
i. Not dealt with in the books of Accounts of the Company	(9,435)	-	-	1,189,544,924	(367,362)
ii. Dealt with in the books of account of the Company	-	-	-	-	-

1. Name of the Subsidiary Company	Dream World Landmarks LLP	Mosiac Landmarks LLP	Oxford Realty LLP	SSPDL Green Acres LLP
2 The Company's interest in the subsidiaries as on 31st March, 2014				
a. Number of Equity Shares	NA	NA	NA	NA
Total Number of Shares	NA	NA	NA	NA
b. Face Value (')	NA	NA	NA	NA
c. Extent of Holding	Control over LLP	Control over LLP	Control over LLP	Control over LLP
3 Net aggregate profit/(loss) of the subsidiary company so far it concerns the members of the Company				
A. For the financial year ended on 31st March, 2014				
i. Not dealt with in the books of Accounts of the Company	(3,970)	74,978,927	(2,425)	-
ii. Dealt with in the books of account of the Company	-	-	-	-
B. For the subsidiary company's previous financial years since it became a subsidiary				
i. Not dealt with in the books of Accounts of the Company	(626)	(79,423)	-	-
ii. Dealt with in the books of account of the Company	-	-	-	-

INDEPENDENT AUDITOR'S REPORT

TO THE DIRECTORS OF GODREJ PROPERTIES LIMITED,

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Godrej Properties Limited ("the Company") and its subsidiaries, which comprise the consolidated Balance Sheet as at March 31, 2014, and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India; this includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

- a) We draw attention to Note 1(h) to the consolidated financial statements, in respect of projects under long term contracts undertaken and/or financed by the Company, we have relied upon the management's estimates of the percentage of completion, costs to completion and on the projections of revenues expected from projects owing to the technical nature of such estimates, on the basis of which profits/losses have been accounted, interest income accrued and realizability of the construction work in progress and project advances determined.
- b) We also draw attention to Note 27 (c) to the consolidated financial statements, regarding the Scheme of Amalgamation of the wholly owned subsidiaries of the Company Godrej Developers Private Limited (GDPL) with Godrej Projects Development Private Limited (GPDPL) ('Scheme III') approved by The Honorable High Court of Judicature at Bombay.

In accordance with the aforesaid Scheme of Amalgamation, an amount of ₹ 995,481,362/- on account of Goodwill on amalgamation has been adjusted from the Securities Premium Account and the opening balance of Surplus in the Statement of Profit & Loss instead of amortising the same in the Statement of Profit & Loss over a period of five years. The cost and expenses incurred in carrying out and implementing the scheme amounting to ₹ 4,216,441/- have been directly adjusted from the opening balance of Surplus in the Statement of Profit & Loss of the Transferee Company. Had these amounts been charged to the Statement of Profit & Loss, the profit for the year would have been lower by ₹ 203,312,713/-, the Goodwill would have been higher by ₹ 796,385,090/- (net written down value) and the Surplus in the Statement of Profit & Loss would have been higher by ₹ 296,885,090/- and Securities Premium Account would have been higher by ₹ 499,500,000/-.

Our opinion is not qualified in respect of these matters.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b. in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- c. in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For **KALYANIWALLA & MISTRY**

CHARTERED ACCOUNTANTS

Firm Registration Number 104607W

ERMIN K. IRANI

PARTNER

Membership Number: 35646

Place: Mumbai

Date: May 2, 2014

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014

Particulars	Note No.	As At 31.03.2014	As At 31.03.2013
I EQUITY AND LIABILITIES			
1) Shareholders Fund			
a) Share Capital	2	991,232,600	780,461,030
b) Reserves & Surplus	3	16,942,812,302	13,509,041,212
Total Shareholders' Funds		17,934,044,902	14,289,502,242
2) Minority Interest		2,030,574,800	1,059,188,918
3) Non-Current Liabilities			
a) Long Term Borrowing	4	2,860,861,760	3,756,643,760
b) Other Long Term Liabilities	5	11,186,863	2,847,410
c) Long Term Provisions	6	28,791,167	27,952,386
Total Non Current Liabilities		2,900,839,790	3,787,443,556
4) Current Liabilities			
a) Short Term Borrowing	7	21,429,397,326	12,876,246,862
b) Trade Payables (Refer Note 31)		7,042,968,609	8,200,072,800
c) Other Current Liabilities	8	9,568,608,689	6,091,131,461
d) Short Term Provisions	9	560,766,872	484,859,367
Total Current Liabilities		38,601,741,496	27,652,310,490
Total Equity And Liabilities		61,467,200,988	46,788,445,206
II ASSETS			
1) Non-Current Assets			
a) Fixed Assets	10		
Tangible Assets		126,104,265	106,963,131
Intangible Assets		511,337,811	398,555,721
Capital work-in-progress		598,518,197	336,369,612
Intangible Assets under Development		19,402,827	19,402,827
Total Fixed Assets		1,255,363,100	861,291,291
b) Non-Current Investments	11	33,064	28,588
c) Deferred Tax Asset (Net)	12	21,457,900	42,792,800
d) Long Term Loans & Advances	13	1,272,605,894	1,556,497,490
e) Other Non Current Assets	14	33,811,758	108,117,838
Total Non Current Assets		2,583,271,716	2,568,728,007
2) Current Assets			
a) Inventories	15	37,267,878,267	32,351,927,984
b) Trade Receivables	16	1,599,553,746	1,049,716,498
c) Cash & Bank Balances	17	8,710,069,331	1,707,151,185
d) Short Term Loans & Advances	18	8,364,166,276	6,704,331,085
e) Other Current Assets	19	2,942,261,652	2,406,590,447
Total Current Assets		58,883,929,272	44,219,717,199
Total Assets		61,467,200,988	46,788,445,206
ACCOUNTING POLICIES	1		

The accompanying notes 1 to 41 form an integral part of financial statements
As per our Report of even date.

For **KALYANIWALLA & MISTRY**
Chartered Accountants
Firm Registration Number 104607W

ERMIN K. IRANI
Partner

Membership Number :35646
Mumbai, Dated : May 02, 2014

Signatures to the Balance Sheet and Notes to Financial Statements
For and on behalf of Board

A. B. GODREJ
Chairman

PIROJSHA GODREJ
Managing Director & CEO

SHODHAN A. KEMBHAVI
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31 MARCH, 2014

Particulars	Note No.	For the Year Ended 31.03.2014	For the Year Ended 31.03.2013
INCOME			
Revenue from Operations	20	11,792,140,919	10,371,228,832
Other Income	21	750,071,227	104,473,769
TOTAL REVENUE		12,542,212,146	10,475,702,601
EXPENSES			
Cost of Sales	22	8,380,768,333	6,915,655,330
Employee Benefits Expense	23	253,011,459	176,877,333
Finance Costs	24	44,828,214	30,012,153
Depreciation		57,702,086	43,883,267
Other Expenses	25	332,119,990	420,706,729
TOTAL EXPENSES		9,068,430,082	7,587,134,812
PROFIT BEFORE TAX		3,473,782,064	2,888,567,789
Tax Expense			
Current Tax		1,156,228,620	928,809,510
MAT Credit Entitlement		(28,667,170)	-
Deferred Tax		21,334,900	(11,793,100)
Adjustment for Tax of Previous Years (net)		(37,975,837)	(1,338,677)
		1,110,920,513	915,677,733
PROFIT AFTER TAX BEFORE MINORITY INTEREST		2,362,861,551	1,972,890,056
Share of Minority Interest		(768,468,508)	(588,540,741)
PROFIT AFTER MINORITY INTEREST		1,594,393,043	1,384,349,315
Earnings Per Share (Refer Note 38)			
Basic		8.62	8.21
Diluted		8.62	8.21
ACCOUNTING POLICIES	1		

The accompanying notes 1 to 41 form an integral part of financial statements
As per our Report of even date.

For **KALYANIWALLA & MISTRY**
Chartered Accountants
Firm Registration Number 104607W

ERMIN K. IRANI
Partner
Membership Number :35646
Mumbai, Dated : May 02, 2014

Signatures to the Statement of Profit & Loss and Notes to Financial Statements
For and on behalf of Board

A. B. GODREJ
Chairman

PIROJSHA GODREJ
Managing Director & CEO

SHODHAN A. KEMBHAVI
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2014

Particulars	For the Year Ended 31.03.2014	For the Year Ended 31.03.2013
Cash Flow from Operating Activities		
Profit before Taxation	3,473,782,064	2,888,567,789
Adjustment for:		
Depreciation	57,702,086	43,883,267
Interest Paid	44,828,214	30,012,153
(Profit)/Loss on sale of Fixed Asset	328,721	(749)
Provision for Doubtful Advances written back (Net)	(42,253,566)	-
ESGS Compensation	38,099,758	20,549,623
Preliminary Expenses Written Off	67,647	134,371
Expenses of Amalgamation	2,500,000	-
Diminution in value of investments written back	(4,476)	-
Interest Income	(139,306,125)	(73,807,559)
Dividend Received	(654,331)	(16,001,618)
Profit on sale of Long Term & Current Investment	(591,152,736)	-
Operating Profit before working capital changes	2,843,937,256	2,893,337,277
Adjustment for:		
Increase/(decrease) in Non Current Liabilities	8,920,966	(1,979,510)
Increase/(decrease) in Current Liabilities	1,013,206,317	3,355,841,999
(Increase)/decrease in Non Current Assets	471,626,876	(182,208,946)
(Increase)/decrease in Current Assets	(9,999,654,118)	(3,808,323,120)
	(5,661,962,703)	2,256,667,700
Taxes Paid (Net)	(1,226,351,483)	(1,042,906,634)
Net Cash Flow from Operating activities	(6,888,314,186)	1,213,761,066
Cash Flow from Investing Activities		
Purchase of Fixed Assets	(609,426,776)	(210,216,600)
Sale of Fixed Assets	4,987,022	1,256,501
Sale of stake in Subsidiaries	406,678,045	-
Purchase of Shares in Subsidiaries	(1,922,135,244)	(55,029,275)
Expenses of Amalgamation	(7,691,833)	(2,900,410)
Interest Received	88,877,706	103,168,641
Dividend Received	2,629,351	16,001,618
Income on Rights Renunciation by ESOP Trust	1,150,000	-
Profit on sale of Investment	185,094,191	-
Preliminary Expenses	(67,647)	(30,530)
Net Cash Flow from Investing Activities	(1,849,905,185)	(147,750,055)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2014

Particulars	For the Year Ended 31.03.2014	For the Year Ended 31.03.2013
Cash Flow from Financing Activities		
Proceeds from Issue of Equity Share Capital (net of issue expenses)	6,910,165,240	92,840
Proceeds from Issue of Equity Shares to Minority Stakeholders	27,540,983	-
Capital Contribution in Limited Liability Partnership	174,524,125	-
Proceeds from Long Term Borrowings (net)	(895,782,000)	1,877,739,760
Proceeds from/(Repayment of) Short Term Borrowings (net)	9,855,046,465	(5,962,359,895)
Issue related expenses	1,400,000	(884,627)
Interest Paid	(44,570,946)	(66,630,028)
Payment of Dividend	(312,235,150)	(234,064,314)
Tax on Distributed Profits	(53,076,512)	(37,982,783)
Net Cash Flow from Investing Activities	15,663,012,205	(4,424,089,047)
Cash Flow from Financing Activities		
Proceeds from Issue of Equity Share Capital (net of issue expenses)	6,910,165,240	92,840
Proceeds from Issue of Equity Shares to Minority Stakeholders	27,540,983	-
Capital Contribution in Limited Liability Partnership	174,524,125	-
Proceeds from Long Term Borrowings (net)	(895,782,000)	1,877,739,760
Proceeds from/(Repayment of) Short Term Borrowings (net)	9,855,046,465	(5,962,359,895)
Issue related expenses	1,400,000	(884,627)
Interest Paid	(44,570,946)	(66,630,028)
Payment of Dividend	(312,235,150)	(234,064,314)
Tax on Distributed Profits	(53,076,512)	(37,982,783)
Net Cash Flow from Financing Activities	15,663,012,205	(4,424,089,047)
Net Increase in Cash & Cash Equivalent	6,924,792,834	(3,358,078,036)
Cash & Cash Equivalent -Opening Balance	1,676,765,990	5,034,824,128
Acquisition of share in LLP's	-	19,898
Opening Cash & Cash Equivalent of GPL ESOP Trust (Refer Note 32(b))	15,507	-
Cash & Cash Equivalent -Closing Balance	8,601,574,331	1,676,765,990
(including share in jointly controlled entities ` 16,456,598/- (Previous Year ` Nil)		
Notes :		
1. Cash and Cash Equivalents.		
Cash & Cheques on Hand and Balances with Banks	874,875,949	651,953,911
Investments in Liquid Mutual Funds	7,835,193,382	1,055,197,274
Less: Other Bank Balances	(108,495,000)	(30,385,195)
Cash and Cash Equivalents.	8,601,574,331	1,676,765,990
2. The cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS) 3 on 'Cash Flow Statement', and presents cash flows by operating, investing and financing activities.		
3. Dividend received under Investing activities includes dividend of ` 1,975,020/- received by the ESOP trust.		
4. Figures for the previous year have been regrouped/restated wherever necessary to conform to current year's classification.		

As per our Report of even date.

For and on behalf of Board

For **KALYANIWALLA & MISTRY**
Chartered Accountants
Firm Registration Number 104607W

A. B. GODREJ
Chairman

PIROJSHA GODREJ
Managing Director & CEO

ERMIN K. IRANI
Partner
Membership Number : 35646
Mumbai, Dated : May 02, 2014

SHODHAN A. KEMBHAVI
Company Secretary

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1

Accounting Policies:

a) Principle of Consolidation

The Consolidated Financial Statements of the Group have been prepared in accordance with Accounting Standard (AS 21) "Consolidated Financial Statements", issued by the Institute of Chartered Accountants of India ('ICAI')

The Consolidated Financial Statements include the financial statements of the Company and all its Subsidiaries & Limited Liability Partnership, which are more than 50 percent owned or controlled and Joint Ventures whose financial statement are drawn up to the same reporting date as of the Company i.e. 31st March 2014.

The Consolidated Financial Statements for Subsidiaries & Limited Liability Partnership have been combined on a line-by-line basis by adding the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances/ transactions and resulting unrealized profits in full.

Investments in Joint Ventures are dealt with in accordance with Accounting Standard (AS) 27 'Financial Reporting of Interests in Joint Ventures'. The Company's interest in jointly controlled entities are reported using proportionate consolidation, whereby the Company's share of jointly controlled assets and liabilities and the share of income and expenses of the jointly controlled entities are reported as separate line items.

In the Consolidated Financial Statements, 'Goodwill' represents the excess of the cost to the Company of its investments in the subsidiaries over its share of equity, at the respective dates on which investments are made. Alternatively, where the share of equity as on the date of investments is in excess of cost of investments it is recognized as 'Capital Reserve' in the Consolidated Financial Statements. 'Minority Interest' represents the amount of equity attributable to minority shareholders at the date on which investment in a subsidiary is made and its share of movements in the equity since that date. Any excess consideration received from minority shareholders of subsidiaries over the amount of equity attributable to the minority on the date of investment is reflected under Reserves and Surplus.

b) Basis of Preparation

The financial statements are prepared in accordance with generally accepted accounting principles in India. The Company has prepared these financial statements to comply in all the material respects with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Companies Act, 1956, read with General Circular 15/2013 dated September 13, 2013 issued by the Ministry of Corporate Affairs, in respect of section 133 of the Companies Act, 2013 under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company.

For the purpose of administration of Employee Stock Option Plan of the Company, the Company has established GPL ESOP Trust. In the current year, in accordance with the opinion issued by the Expert Advisory Committee (EAC) of the ICAI in 2014 on Consolidation of ESOP Trust in the standalone financial statements, the Company has included the financial statements of the ESOP trust for preparation of the standalone financial statements.

c) Operating Cycle

The normal operating cycle in respect of operation relating to under construction real estate project depends on signing of agreement, size of the project, phasing of the project, type of development, project complexities, approvals needed & realization of project into cash & cash equivalents and range from 3 to 7 years. Accordingly Assets & Liabilities have been classified into current & non-current based on operating cycle of respective projects.

d) Fixed Assets

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation. Cost includes all incidental expenses related to acquisition and installation, other pre-operation expenses and interest in case of construction.

Carrying amount of cash generating units / assets are reviewed at balance sheet date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount is estimated as the net selling price or value in use, whichever is higher. Impairment loss, if any, is recognized whenever carrying amount exceeds the recoverable amount.

e) Depreciation / Amortization

Depreciation has been provided on Written Down Value basis, at the rates specified in Schedule XIV of the Companies Act, 1956.

Assets acquired on lease are depreciated over the period of the lease.

Leasehold improvements are amortized over a period of lease

Intangible Assets (other than Trademark) are amortized over a period of six years. Company has acquired the "Godrej" Trademark for perpetuity in the current year. However, as a matter of prudence the Management has decided to amortize the same over a period of 20 years.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

f) Investments

Investments are classified into long term and current investments.

Long-term investments are carried at cost. Provision for diminution, if any, in the value of each long-term investment is made to recognize a decline, other than of a temporary nature.

Current investments are carried individually at lower of cost and fair value and the resultant decline, if any, is charged to revenue.

g) Inventories

Inventories are valued as under:

- | | |
|-----------------------------------|------------------------------------|
| a) Completed Flats | - At lower of Cost or Market value |
| b) Construction Work- in-Progress | - At Cost |

Construction Work in Progress includes cost of land, premium for development rights, construction costs, allocated interest and expenses incidental to the projects undertaken by the Company.

h) Revenue Recognition

The Company is following the "Percentage of Completion Method" of accounting. As per this method, revenue from sale of properties is recognized in Statement of Profit & Loss in proportion to the actual cost incurred as against the total estimated cost of projects under execution with the Company on transfer of significant risk and rewards to the buyer. Up to 31st March 2012 revenue was recognized only if the actual project cost incurred is 20% or more of the total estimated project cost.

Effective 1st April 2012, in accordance with the "Guidance Note on Accounting for Real Estate Transactions (Revised 2012)" (Guidance Note), all projects commencing on or after the said date or projects which have already commenced, but where the revenue is recognized for the first time on or after the above date, Construction revenue on such projects have been recognized on percentage of completion method provided the following thresholds have been met:

- (a) All critical approvals necessary for the commencement have been obtained;
- (b) The expenditure incurred on construction and development costs is not less than 25 per cent of the total estimated construction and development costs;
- (c) At least 25 percent of the saleable project area is secured by contracts or agreements with buyers; and
- (d) At least 10 percent of the agreement value is realized at the reporting date in respect of such contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

Determination of revenues under the percentage of completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognized in the financial statements for the period in which such changes are determined. Revenue from projects is recognized net of revenue attributable to the land owners. Losses, if any, are fully provided for immediately.

Revenue on bulk deals on sale of its properties is recognized on execution of documents.

Income from operation of commercial complexes is recognized over the tenure of the lease / service agreement.

Interest income is accounted on an accrual basis at contracted rates.

Dividend income is recognized when the right to receive the same is established.

i) Development Manager Fees

The company has been entering into Development & Project Management agreements with landlords. Accounting for income from such projects is done on accrual basis on percentage of completion or as per the terms of the agreement.

j) Employee Benefits

a) Short-term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, performance incentives etc. are recognized at actual amounts due in the period in which the employee renders the related service.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

b) **Post-employment benefits:**

(i) **Defined Contribution Plans:**

Payments made to defined contribution plans such as Provident Fund are charged as an expense as they fall due.

(ii) **Defined Benefit Plans:**

The cost of providing benefits i.e. gratuity is determined using the Projected Unit Credit Method, with actuarial valuations carried out annually as at the balance sheet date. Actuarial gains and losses are recognized immediately in the Statement of Profit & Loss.

The fair value of the plan assets is reduced from the gross obligation under the defined benefit plan, to recognize the obligation on net basis.

Past service cost is recognized as expense on a straight-line basis over the average period until the benefits become vested.

(iii) **Other long-term employee benefits:**

Other long-term employee benefits viz., leave encashment is recognized as an expense in the Statement of Profit and Loss as and when they accrue. The Company determines the liability using the Projected Unit Credit Method, with actuarial valuations carried out as at the balance sheet date. Actuarial gains and losses in respect such benefits are charged to the Statement of Profit and Loss.

k) **Borrowing Cost**

Interest and finance charges incurred in connection with borrowing of funds, which are incurred for the development of long term projects, are transferred to Construction Work in Progress / Due on Management Project, as a part of the cost of the projects at weighted average of the borrowing cost / rates as per Agreements respectively.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

l) **Earnings Per Share**

The basic earnings per share is computed using the weighted average number of common shares outstanding during the period. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the period, except where the results would be anti-dilutive.

m) **Provision For Taxation**

Tax expense comprises both current and deferred tax.

Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates and tax laws.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets, subject to consideration of prudence, are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The tax effect is calculated on the accumulated timing difference at the year-end based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

n) **Foreign Currency Transactions**

Transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transaction. Assets and liabilities related to foreign currency transactions, remaining unsettled at the year end, are translated at the year end exchange rates. Forward exchange contracts, remaining unsettled at the year end, backed by underlying assets or liabilities are also translated at year end exchange rates. The premium payable on foreign exchange contracts is amortised over the period of the contract.

o) **Allocation of Expenses**

Corporate Employee Remuneration and Administration expenses are allocated to various projects on a reasonable basis as estimated by the management.

p) **Provisions and Contingent Liabilities**

Provisions are recognized in the accounts in respect of present probable obligations, the amount of which can be reliably estimated.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2

SHARE CAPITAL

AUTHORISED

234,000,000 Equity Shares of ₹ 5/- each (Previous Year 117,000,000 Equity Share of ₹ 10/- each)

As at
31.03.2014

As at
31.03.2013

1,170,000,000

1,170,000,000

1,170,000,000

1,170,000,000

ISSUED, SUBSCRIBED & PAID UP

199,234,030 Equity Shares of ₹ 5/- each (Previous Year 78,046,103 Equity Shares of ₹ 10/- each) fully paid up.

996,170,150

780,461,030

Less: 9,87,510 Equity Shares of ₹ 5/-each held by GPL ESOP Trust

4,937,550

-

(Of the above 21,538,388 Equity Shares of ₹ 10/- each (Split into 43,076,776 Equity Shares of ₹ 5/- each) were issued as Right Shares)

991,232,600

780,461,030

(a) Reconciliation of number of shares:

	31.03.2014		31.03.2013	
	No. of Shares		No. of Shares	
Number of Shares outstanding at the beginning of the year	78,046,103	780,461,030	78,036,819	780,368,190
Movement during the year prior to Split	21,570,677	215,706,770	-	-
Addition on account of Share Split from ₹ 10/- to ₹ 5/-	99,616,780	-	-	-
Movement during the year post Split	470	2,350	9,284	92,840
Number of Shares outstanding at the end of the year	199,234,030	996,170,150	78,046,103	780,461,030

(b) Shareholding information:

Equity Shares are held by:

Godrej Industries Limited (Holding Company)	122,775,304	47,965,209
Godrej & Boyce Manufacturing Company Limited (Ultimate Holding Company)	3,240,688	1,270,000
Ensemble Holdings & Finance Limited (Subsidiary of Holding Company)	1,382,310	691,155
(Current Year Face Value of Equity Share is ₹ 5/- (Previous Year ₹ 10/-))		

(c) Shareholders holding more than 5% of Equity Shares:

	31.03.2014		31.03.2013	
	No. of Shares	%	No. of Shares	%
Godrej Industries Limited	122,775,304	61.62%	47,965,209	61.46%
(Current Year Face Value of Equity Share is ₹ 5/- (Previous Year ₹ 10/-))				

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(d) Rights, preferences and restrictions attached to shares:

The Company has only one class of equity share having a par value of ` 5/- per share (Previous Year ` 10/-per share). Each holder of equity shares is entitled to one vote per share held .The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the Annual General Meeting except in case of interim dividend. In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(e) Equity Shares Reserved for Issue Under Options	31.03.2014		31.03.2013	
	No. of Shares		No. of Shares	
i) 14,928 Employee Stock Grants eligible for 14,928 equity shares of ` 5/- each (Previous Year equity shares of ` 10/- each) vesting on 06/05/2014	14,928	74,640	14,928	149,280
ii) 1,252 Employee Stock Grants eligible for 1,252 equity shares of ` 5/- each (Previous Year equity shares of ` 10/- each) vesting on 30/09/2014	1,252	6,260	1,252	12,520
iii) 48,276 Employee Stock Grants eligible for 48,276 equity shares of ` 5/- each (Previous Year equity shares of ` 10/- each). Out of which 24,140 is vesting on 31/05/2014 and 24,136 is vesting on 31/05/2015	48,276	241,380	36,208	362,080
iv) 11,020 Employee Stock Grants eligible for 11,020 equity shares of ` 10/- each	-	-	11,020	110,200
v) 2,218 Employee Stock Grants eligible for 2,218 equity shares of ` 5/- each (Previous Year equity shares of ` 10/- each) vesting on 31/05/2014	2,218	11,090	2,218	22,180
vi) 460 Employee Stock Grants eligible for 460 equity shares of ` 5/- each (Previous Year equity shares of ` 10/- each).Out of which 230 is vesting on 31/10/2014 and 230 is vesting on 31/10/2015	460	2,300	345	3,450
vii) 480 Employee Stock Grants eligible for 480 equity shares of ` 5/-each (Previous Year equity shares of ` 10/- each). Out of which 240 is vesting on 31/01/2015 and 240 is vesting on 31/01/2016	480	2,400	360	3,600
viii) 125,744 Employee Stock Grants eligible for 125,744 equity shares of ` 5/-each Out of which 41,906 is vesting on 31/05/2014, 41,906 is vesting on 31/05/2015 and 41,932 is vesting on 31/05/2016	125,744	628,720	-	-
ix) 30,000 Employee Stock Grants eligible for 30,000 equity shares of ` 5/- each vesting on 31/05/2014	30,000	150,000	-	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3

RESERVES & SURPLUS

Securities Premium

	As At 31.03.2014	As At 31.03.2013
As per last Balance Sheet	10,179,949,780	10,174,727,390
Addition during the year	6,803,953,214	6,107,017
Utilisation during the year (Refer Note 3 (a))	88,736,100	884,627
Closing Balance	16,895,166,894	10,179,949,780

ESOP Trust

Adjustment of Retained earning , Dividend, Cost of share (net of face value) (Refer Note 32(b))	(436,136,099)	-
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General Reserve

As per last Balance Sheet	157,391,577	496,391,577
(Less): Adjustment arising on Amalgamation of Subsidiaries (Refer Note 27)	157,391,577	462,000,000
Addition during the year	98,000,000	123,000,000
Closing Balance	98,000,000	157,391,577

Employee Stock Grant Scheme Reserve

As per last Balance Sheet	24,898,564	10,455,958
Addition during the year	38,099,758	20,549,623
Utilisation during the year	19,360,994	6,107,017
Closing Balance	43,637,328	24,898,564

Surplus in Statement of Profit and Loss

As per last Balance Sheet	3,146,801,291	2,964,483,205
(Less): Adjustment arising on Amalgamation of Subsidiaries (Refer Note 27)	3,822,716,009	771,952,637
Add: Profit for the year	1,594,393,043	1,384,349,316
Appropriations during the year		
- Proposed Dividend - Final (Refer Note 3(b))	398,694,444	312,301,255
- Tax on Distributed Profit	67,758,121	53,075,640
- Transfer to General Reserve	98,000,000	123,000,000
- Adjustment of opening profit/(loss) of subsidiaries	11,881,581	(58,298,302)
Closing Balance	342,144,179	3,146,801,291

Total Reserves & Surplus

	16,942,812,302	13,509,041,212
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- a) Securities Premium amount has been utilised towards Right Issue expenses net off reversal of provision made for IPO expenses amounting to ` 1,400,000/- .
- b) The Board of Directors of the company has proposed dividend of (40%) i.e ` 2/- per equity share of ` 5/- each, for the year 2013-14 amounting to ` 398,694,444/- (Previous Year (40 %) i.e ` 4/- per equity share of ` 10/- each amounting to ` 312,306,628/-)

NOTE 4

LONG TERM BORROWINGS

Debentures

2,871,876, 1% Secured Redeemable Optionally Convertible Debentures (Refer Note 4(a) & Note 30 (a))	28,718,760	28,718,760
267,000, 12% Compulsorily Convertible Debentures (Refer Note 4(b) & Note 30 (b))	267,000,000	267,000,000
528,110, 17.45% Compulsorily Convertible Debentures (Refer Note 4 (c) & Note 30 (d & e))	528,110,000	-

Deposits (Unsecured)

Fixed Deposit (Refer Note 4(d))	5,600,000	5,200,000
From Directors	232,132,000	298,155,000
From Shareholders	1,799,301,000	3,157,570,000
From Public	2,860,861,760	3,756,643,760

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- a) 2,871,876, 1% secured optionally convertible debentures of ₹ 10/- each are redeemable on 10th April, 2015 and are secured to the extent of specific immovable assets of the Company disclosed under the head "Fixed Assets" (Refer Note 10).
- b) 267,000, 12% Compulsorily Convertible Debentures of face value of ₹ 1,000/- each were allotted on December 29, 2011. These debentures are compulsorily convertible at the end of 10 years from the date of allotment. These debentures are convertible into 50,000 Equity Shares of ₹ 10 each in accordance with the terms of the issue. The interest shall be accrued on a quarterly basis.
- c) 528,110, 17.45% Compulsorily Convertible Debentures of face value of ₹ 1,000/- each. Out of above 295,360 were allotted on June 24, 2013 and 232,750 were allotted on October 1, 2013. These Compulsory Convertible Debentures will be converted in to equity shares in the year 2019 based on the Fair Value.
- d) Deposits (Unsecured) having maturity of two years amounting to ₹ 1,981,730,000/- and three years amounting to ₹ 55,303,000/- bearing interest rate @ 8.50 % to 10.50% payable half yearly.

NOTE 5

OTHER LONG TERM LIABILITIES

Deposits - Lease	120,000	120,000
Trade Payables (Refer Note 31)	10,730,194	2,648,009
Interest Accrued but not due	336,669	79,401
	11,186,863	2,847,410

NOTE 6

LONG TERM PROVISIONS

Provision for Employee Benefits		
Gratuity (Refer Note 35 (b))	23,817,215	19,139,125
Unavailed Leave	4,973,952	8,813,261
	28,791,167	27,952,386

a) Movement in Unavailed Leave		
Opening Provision - Unavailed Leave (Current+ Non Current)	16,941,406	11,461,488
Add: Addition during the Year	5,978,714	15,596,895
Less: Paid during the Year	(12,135,347)	(10,116,937)
Closing Provision	10,784,773	16,941,406
Less : Short term Provision of Unavailed Leave	(5,810,821)	(8,128,145)
Long term Provision of Unavailed Leave	4,973,952	8,813,261

NOTE 7

SHORT TERM BORROWINGS

Debentures		
7,624,900, 10% Secured Cumulative Optionally Convertible Debentures Class B (Refer Note 7 (a) & 30(c))	762,490,000	422,600,000
From Banks		
Secured Loan		
Term Loan	-	697,500,000
Cash Credit (Refer Note 7 (b))	2,910,172,162	2,249,081,691
Short Term Loan (Refer Note 7 (c))	3,000,000,000	-
Unsecured Loan		
Cash Credit / Invoice Financing (Refer Note 7(d))	1,256,735,164	7,065,171
Other Loans (Refer Note 7(e))	4,000,000,000	2,000,000,000

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As At 31.03.2014	As At 31.03.2013
From Others		
Secured Loan (Refer Note 7 (f))	7,500,000,000	7,500,000,000
Unsecured Loan		
Other Loans (Refer Note 7(g))	2,000,000,000	-
	21,429,397,326	12,876,246,862

- a) 7,624,900, 10% Cumulative Optionally Convertible Debentures of face value of ₹ 100/- each are secured by way of mortgage over the development rights of Project Godrej Central. The debentures are redeemable out of Remainder Amounts as defined in Share Purchase, Subscription and Shareholders Agreement dated 31st March, 2012. The interest shall be accrued on an annual basis.
- b) Secured Loan availed from Bank is secured by hypothecation of the current assets of the Company. Immovable property of the Company's Project at Juhu, Mumbai and Current Assets of Godrej Real Estate Private Limited (wholly owned subsidiary) is provided as collateral security and carries interest at Base Rate + 0.90% p.a. effective rate 10.90%.
- c) Short Term Loan availed from Bank is secured by hypothecation of the current assets of the Company. Immovable property of the Company's Project at Juhu, Mumbai and Current Assets of Godrej Real Estate Private Limited (wholly owned subsidiary) is provided as collateral security and carries interest at Base Rate + 0.60% p.a. effective rate 10.60%. Repayment in 9 months from the date of first disbursement.
- d) Unsecured -Over Draft facility amounting to ₹ 64,146,970/- carries interest at Base Rate + 175 basis point. Present effective rate is 12% p.a. ₹ 800,000,000/- of Over Draft @ 10.40% p.a. Overdraft of ₹ 18,86,607/- carries interest at Base Rate + 25 basis point, present effective rate is 10.20% p.a. Unsecured Invoice Financing is availed amounting to ₹ 390,701,587/- carrying interest in a range from 10.20% p.a. to 10.25% p.a.
- e) Other loans include:
- ₹ 1,300,000,000/- carrying interest at Base Rate + 25 basis point p.a. Present effective rate is 10.50 % p.a. of the above ₹ 1,000,000,000/- is repayable on September 17, 2014 and ₹ 300,000,000/- is repayable on October 25, 2014.
 - Short Term Loan amounting to ₹ 1,200,000,000/- is availed at rate of Interest 10.20 % p.a. (Fixed) Repayable on March 7, 2015.
 - ₹ 1,500,000,000/- availed from Commercial Papers is carrying interest at 10.95% p.a. Repayable on April 30, 2014.
- f) Secured term loan : Total Sanction amount ₹ 750.00 crores bearing interest @ HDFC BPLR – 485 BPS and secured by way of exclusive/ mortgage and charge of movable and immovable property of the project at Bandra Kurla Complex at Mumbai. Repayment from 6th month from the date of disbursement. However maximum principle outstanding shall not exceed as below from the date of first disbursement :

	₹ in crores
At the end of 53 rd Month	650
At the end of 54 th Month	550
At the end of 55 th Month	450
At the end of 56 th Month	350
At the end of 57 th Month	250
At the end of 58 th Month	150
At the end of 59 th Month	50
At the end of 60 th Month	NIL

g) i) ₹ 1,000,000,000/- availed from Commercial Papers carrying interest at 10.55% p.a. Repayable on June 9, 2014.

ii) ₹ 1,000,000,000/- availed from Commercial Papers carrying interest at 10.08% p.a. Repayable on June 19, 2014.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 8**OTHER CURRENT LIABILITIES**

Current maturities of long term debt

Unsecured Deposit (Refer Note 4(c))

From - Shareholders

From - Public

Investor Education and Protection Fund

Advances received against sale of flats/ units

Unclaimed Fixed Deposits & Interest

Unclaimed Dividend

Statutory Dues

Due to Management Projects

Interest Accrued but not due

Share in Jointly Controlled Entities

Other liabilities

As At
31.03.2014As At
31.03.2013

71,783,000

683,000

1,377,063,000

146,267,000

-

-

6,567,822,800

5,003,487,398

10,680,010

5,494,864

357,316

285,838

268,976,255

213,139,899

26,341,449

58,474,630

97,721,312

41,190,249

13,238,294

27,452

1,134,625,253

622,081,131

9,568,608,689

6,091,131,461

NOTE 9**SHORT TERM PROVISIONS**

Provision for Employee Benefits

Gratuity (Refer Note 35 (b))

Unavailed Leave (Refer Note 6 (a))

507,886

295,001

5,810,821

8,128,145

Other Provision

For Taxation

(Net of Advance Tax & Tax deducted at source ` 1,328,597,420/-
(Previous Year ` 1,472,821,052/-))

Proposed Dividend - Final

Tax on Dividend

87,995,600

111,053,081

398,694,444

312,306,628

67,758,121

53,076,512

560,766,872

484,859,367

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 10

FIXED ASSETS

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1 st April 2013	Additions	Deductions	As at 31st March 2014	Upto 1st April 2013	For the Year	Deductions Adjustments	Upto 31st March 2014	As at 31st March 2014	As at 31st March 2013
Tangible Assets										
<i>Land (Refer Note 30(a))</i>	868,555	-	-	868,555	-	-	-	-	868,555	868,555
<i>Building</i>	17,031,600	-	-	17,031,600	2,429,132	730,123	-	3,159,255	13,872,345	14,602,468
<i>Leasehold Improvements</i>	59,078,496	12,174,365	3,545,216	67,707,645	48,399,913	6,929,638	2,350,339	52,979,212	14,728,433	10,678,583
<i>Office Equipment</i>	34,986,629	5,087,996	10,000	40,064,625	13,675,695	3,972,099	4,164	17,643,630	22,420,995	21,310,934
<i>Site Equipments</i>	248,453	521,883	-	770,336	55,237	70,830	-	126,067	644,269	193,216
<i>Furniture & Fixtures</i>	45,405,220	13,619,060	-	59,024,280	21,492,366	6,104,625	-	27,596,991	31,427,289	23,912,854
<i>Computer</i>	53,230,143	18,038,408	141,900	71,126,651	34,339,295	10,502,020	109,858	44,731,457	26,395,194	18,890,848
<i>Motor Vehicle</i>	34,790,032	8,119,268	9,612,856	33,296,444	18,284,359	4,794,768	5,529,868	17,549,259	15,747,185	16,505,673
Intangible Assets										
<i>Goodwill</i>	361,275,106	1,921,760,744	2,074,097,883	208,937,967	-	-	-	-	208,937,967	361,275,106
<i>Licenses & Software</i>	73,518,178	19,717,212	-	93,235,390	36,237,563	13,347,983	-	49,585,546	43,649,844	37,280,615
<i>Trade Mark</i>	-	270,000,000	-	270,000,000	-	11,250,000	-	11,250,000	258,750,000	-
Total	680,432,412	2,269,038,936	2,087,407,855	862,063,493	174,913,560	57,702,086	7,994,229	224,621,417	637,442,076	505,518,852
Previous Year	591,283,989	97,227,080	8,078,657	680,432,412	136,271,501	43,883,267	5,241,208	174,913,560		
<i>Capital Work-In-Progress</i>									598,518,197	336,369,612
<i>Intangible Assets under Development</i>									19,402,827	19,402,827
								Total	1,255,363,100	861,291,291

NOTE 11

NON-CURRENT INVESTMENTS

I Trade Investments

a) Investment in Fully paid up Equity Instruments

Quoted Investments

- 100 (Previous Year 100) Equity Shares of ` 10/- each of Alacrity Housing Limited
- 100 (Previous Year 100) Equity Shares of ` 10/- each of Ansal Buildwell Limited
- 300 (Previous Year 200) of ` 10/- each of Ansal Housing & Construction Limited
- (100 shares received as bonus shares during the year)

As At
31.03.2014

As At
31.03.2013

742

742

1,066

1,066

1,366

1,366

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As At 31.03.2014	As At 31.03.2013
600 (Previous Year 600) Equity Shares of ` 5/- each of Ansal Properties & Infrastructure Limited	3,081	3,081
100 (Previous Year 100) Equity Shares of ` 10/- each of Lok Housing & Construction Limited	1,241	1,241
100 (Previous Year 100) Equity Shares of ` 10/- each of Global Infrastructure & Technologies Limited	1,641	1,641
100 (Previous Year 100) Equity Shares of ` 10/- each of Premier Energy & Infrastructure Limited	1,516	1,516
100 (Previous Year 100) Equity Shares of ` 10/- each of D.S. Kulkarni Developers Limited	891	891
13,000 (Previous Year 13,000) Equity Shares of ` 2/- each of Unitech Limited	6,366	6,366
72 (Previous Year 72) Equity Shares of ` 10/- each of The Great Eastern Shipping Company Limited	2,485	2,485
18 (Previous Year 18) Equity Shares of ` 10/- each of GOL Offshore Limited (Formerly known as Great Offshore Limited)	621	621
100 Equity Shares (Previous Year 1000 share of ` 1 each) of ` 10/- each of Radhe Developers (India) Limited	266	266
23,700 (Previous Year 23,700) Equity Shares of ` 10/- each of United Textiles Limited	2,370	2,370
Cost of Quoted Investments	23,652	23,652
Less : Provision for Diminution in Value	3,088	7,564
	20,564	16,088
Unquoted Investments		
1,000 (Previous Year 1,000) Equity Shares of ` 10/- each of Saraswat Co-operative Bank Limited	10,000	10,000
25,000 (Previous Year 25,000) Equity Shares of ` 10/- each of AB Corp Limited	2,500	2,500
	12,500	12,500
Total Non Current Investments	33,064	28,588
1. Cost of Quoted Investments	23,652	23,652
2. Market Value of Quoted Investments	360,008	418,093
NOTE 12		
DEFERRED TAX ASSET (NET)		
Liabilities		
On Fixed Asset	(15,357,900)	-
Assets		
On Fixed Asset	-	4,378,952
On Others	36,815,800	38,413,848
	21,457,900	42,792,800

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As At 31.03.2014	As At 31.03.2013
Cheques-on-Hand	6,557,628	343,611,479
Balance with Banks		
on Current Accounts (Refer Note 17 (a))	670,060,688	229,356,967
on Fixed Deposit Accounts (Refer Note 17 (b))	89,087,899	48,129,156
Investments in Mutual Funds (Refer Note 17 (c))	7,818,874,860	1,055,197,274
Other Bank Balances		
on Fixed Deposit Accounts (Long term deposits with maturity more than 3 months but less than 12 months) (Refer Note 17(b))	108,495,000	30,385,195
Share in Jointly Controlled Entities (Refer Note 17 (d))	16,456,598	-
	8,710,069,331	1,707,151,185
a) Balances with banks in current accounts include ` 357,316/- (Previous Year ` 285,838/-) is earmarked balance for unclaimed dividend. It also includes balances of the ESOP Trust of ` 17,615/- (Previous Year ` Nil).		
b) i) Fixed Deposit of ` 14,245,048/- (Previous Year ` 9,107,003/-) is held as margin money.		
ii) Unutilised IPO Proceeds temporarily invested in Mutual Fund ` Nil (Previous Year ` 92,311,157/-)		
iii) Balances with scheduled banks on deposit accounts include ` 37,135,959/- (Previous year ` 31,063,882/-) received from flat buyers and held in trust on their behalf in a corpus fund.		
c) Investment in Mutual Funds :		
i) In Debt Mutual Funds		
Kotak Floater - LT - Daily Dividend Reinvest	-	29,171,784
ICICI Prudential Floating Rate Plan D - Daily Dividend Reinvest	-	3,241,534
JM High Liquidity Fund - Growth	-	493,468,281
Peerless Liquid Fund - Super IP-Growth	311,700,000	-
Reliance Liquid Fund - TP - Growth	1,373,466,967	-
Religare Invesco Liquid Fund - Growth Plan	831,991,849	-
Axis Liquid Fund - Growth (CFGPG)	620,332,983	-
Birla Sun Life Cash Plus - Growth - Regular Plan	940,000,000	-
HDFC Cash Management Fund - Saving Plan - Growth	664,491,284	-
ICICI Prudential Liquid - Regular - Growth Plan	715,629,564	-
L&T Liquid Fund - Growth	250,000,000	-
Sundaram Money Fund - Reg - Growth	760,000,000	-
Baroda Pioneer Liquid Fund-Plan A-Growth	837,836,061	-
Taurus - Liquid Fund-Super Institutional Growth	20,290,000	515,515,675
ICICI Prudential Money Market Fund - Regular - Growth Plan	327,560,000	-
HDFC Liquid Fund - Growth	159,944,120	-
Kotak Floater Short Term Growth	-	13,800,000
Tata Money Market Fund Plan - Growth	21,950,554	-
	7,835,193,382	1,055,197,274
ii) Unutilised Right Issue Proceeds temporarily invested in Mutual Fund amounting to ` 5,458,640,000/-		
d) Share in Jointly Controlled Entities includes Cash on Hand ` 12,500/- , Balances with Bank on Current Account ` 125,576/- and Investment in Mutual Fund amounting to ` 16,318,522/-		

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 18

SHORT TERM LOANS & ADVANCES

Secured

Secured Deposits - Projects (Refer Note 18 (a))	5,227,660,697	4,089,519,205
Loans and Advances to Others (Refer Note 18 (b))	670,270,620	705,771,225

Unsecured Considered good

Loan to GIL ESOP Trust (Refer Note 32 (c))	70,205,100	70,684,600
(Net of provision for doubtful loan of ` 4,635,820/- Previous Year ` 4,635,820/-)		
Loan to GPL ESOP Trust (Refer Note 32 (a & b))	-	384,479,569
(Net of provision for doubtful loan of ` Nil Previous Year ` 58,923,028/-)		
Advances to Related Parties (Refer Note 18 (c))	93,850,811	56,962,422
Loans and Advances to Others	1,654,212,267	800,928,292
Due on Management Projects (Refer Note 18 (d))	195,934,768	504,562,959
Development Management Fees Accrued but not due (Refer Note 18 (e))	44,456,901	44,456,901
Deposits - Others	83,894,088	46,965,912

Share in Jointly Controlled Entities (Refer Note 18 (f))

323,681,024	-
8,364,166,276	6,704,331,085

a) Secured Deposits - Projects, are Secured against Terms of Development Agreement.

b) Secured Loan & Advances Others, are secured against Bank Guarantee received from Vendors.

c) Loans And Advances to Related Parties:

To Holding Company:

Godrej & Boyce Manufacturing Company Limited	39,721,340	7,411,804
Godrej Industries Limited	24,136	1,042,983

To Company under same Management:

Godrej Consumer Products Limited	1,479,065	96,123
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To Limited Liability Partnership:

Godrej Property Developers LLP	249,770	146,392
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To Joint Venture & Associates:

Ramesh P Bhatia (Partner)	7,030,161	6,419,061
Repton Landmarks LLP (Partner)	45,346,339	41,846,059

93,850,811	56,962,422
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d) Due on Management Projects include a sum of ` 21,565,250/- (Previous Year ` 21,565,250/-) on account of a project, where the matter is sub-judice with arbitrators.

e) The Company has entered into Development Agreement with landlords. Development Management Fee amounting to ` 44,456,901/- (Previous Year ` 44,456,901/-) accrued as per terms of the Agreement are receivable by the Company based upon progress milestones specified in the respective Agreements and have been disclosed as Development Management Fee accrued but not due.

f) Share in Jointly Controlled Entities includes ` 321,643,402/- (Previous Year ` Nil) as secured advances.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 19**OTHER CURRENT ASSETS**

	As At 31.03.2014	As At 31.03.2013
Unbilled Revenue	2,835,973,274	2,361,439,783
Interest Accrued	95,502,923	45,150,664
Share in Jointly Controlled Entities	10,785,455	-
	2,942,261,652	2,406,590,447

**For the Year Ended
31.03.2014****For the Year Ended
31.03.2013****NOTE 20****REVENUE FROM OPERATIONS**

Sale of Products	10,749,339,570	9,399,663,779
Other Operating Revenues		
Sale of Services	709,812,621	745,112,111
Compensation Received from Project	70,000,000	163,980,934
Other Income from Customers	26,617,995	51,564,367
Lease Rent	11,358,733	10,895,641
License Fees	12,000	12,000
Other Income from Project	225,000,000	-
	11,792,140,919	10,371,228,832

NOTE 21**OTHER INCOME**

Interest Income	139,306,125	73,807,559
Dividends	654,331	16,001,618
Profit on Sale of Fixed Assets (Net)	-	749
Profit on Sale of Investments	589,670,748	-
Diminution in value of investments written back	4,476	-
Miscellaneous Income	5,745,563	14,663,843
Share in Jointly Controlled Entities	14,689,984	-
	750,071,227	104,473,769

NOTE 22**COST OF SALES**

Opening Stock:		
Finished Goods	2,864,043	2,864,043
Construction Work in progress	32,348,974,092	27,380,422,687
Share in Jointly Controlled Entities	89,849	682,304
Less : Adjustment of Fair Value on Amalgamation	1,745,533,818	1,165,432,640
Add : Expenditure/ Transfers from Advances during the year		
Stock-In-Trade Acquired during the year	485,900,916	382,375,500
Development Rights	47,879,818	59,629,926
Land	229,377,406	814,772,095
Construction, Material & Labour	6,945,955,134	6,678,701,664
Architect Fees	174,414,846	253,395,560

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	For the Year Ended 31.03.2014	For the Year Ended 31.03.2013
Advertisement Expenses	143,230,364	123,224,401
Overheads	4,507,338,011	2,654,591,445
Interest	2,514,211,202	2,172,558,325
Share in Jointly Controlled Entities	49,398,810	27,588
	15,097,706,507	13,139,276,504
Less : Project taken over by Partner	-	620,041
Less : Transferred to Capital WIP	55,454,073	89,609,543
Less : Closing Stock:		
Finished Goods	455,392,050	2,864,043
Construction Work in progress	36,762,997,554	32,348,974,092
Share in Jointly Controlled Entities	49,488,663	89,849
	8,380,768,333	6,915,655,330
NOTE 23		
EMPLOYEE BENEFIT EXPENSES		
Salaries, Bonus, Gratuity & Allowances	157,258,556	115,755,447
Contribution to Provident & other funds	29,402,894	20,536,624
Other Employee Benefits	28,250,251	20,035,639
Expense on Employee Stock Option Scheme (Refer Note 33)	38,099,758	20,549,623
	253,011,459	176,877,333
NOTE 24		
FINANCE COST		
Interest Expense		
Banks/Financial Institution	1,663,044,291	1,703,614,962
Inter Corporate Deposits	-	1,082,535
Others	581,724,521	374,967,553
Interest on Income Tax	8,124,627	6,173,160
Total Interest Expenses	2,252,893,439	2,085,838,210
Other Borrowing cost	260,868,612	180,272,270
Share in Jointly Controlled Entities	341,712	-
Total Finance Cost	2,514,103,763	2,266,110,480
Less: Capitalised to Projects	2,402,141,720	2,228,678,487
Less: Capitalised to Capital WIP	33,688,924	7,419,840
Share in Jointly Controlled Entities	33,444,905	-
NET FINANCE COST	44,828,214	30,012,153
NOTE 25		
OTHER EXPENSES		
Consultancy Charges	56,646,591	26,077,805
Rent	38,952,614	37,558,608
Insurance	4,159,491	3,752,588
Rates & Taxes	1,145,339	611,343
Loss on Sale of Fixed Assets (Net)	328,721	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	For the Year Ended 31.03.2014	For the Year Ended 31.03.2013
Advertisement & Marketing Expense	31,671,187	90,866,379
Provision for Doubtful Advances written back (Net)	(42,253,566)	-
Other Expenses	241,431,618	261,764,578
Share in Jointly Controlled Entities	37,995	75,428
	332,119,990	420,706,729

Note 26

a) Information on subsidiaries:

The Subsidiaries and Sub subsidiary companies considered in the consolidated financial statements are (collectively referred as "the Group"):

Sr. No.	Name of the Company	Country of Incorporation	Percentage of Holding	
			Current year %	Previous Year %
1.	Godrej Realty Private Limited	India	51%	51%
2.	Godrej Real Estate Private Limited	India	100%	100%
3.	Godrej Developers Private Limited (up to March 31,2013)	India	-	51%
4.	Godrej Sea View Properties Limited (up to December 31, 2013) (100% Subsidiary w.e.f. 1st July 2013)	India	-	50.10%
5.	Happy Highrises Limited	India	51%	51%
6.	Godrej Estate Developers Limited (up to December 31, 2013) (100% Subsidiary w.e.f. 28th June 2013.	India	-	51%
7.	Godrej Buildwell Private Limited (Subsidiary due to control over composition of Board of Directors)	India	49%	49%
8.	Godrej Buildcon Private Limited	India	100%	100%
9.	Godrej Projects Development Private Limited	India	100%	100%
10.	Godrej Premium Builders Private Limited	India	51%	51%
11.	Godrej Garden City Properties Private Limited	India	100%	100%
12.	Godrej Nandhi Hills Project Private Limited (100% up to December 31, 2013)	India	-	100%
13.	Godrej Landmark Redevelopers Private Limited	India	51%	51%
14.	Godrej Redevelopers (Mumbai) Private Limited	India	51%	100 %
15.	Godrej Green Homes Limited (w.e.f. December 24, 2013)	India	100%	NA
16.	Wonder City Buildcon Private Limited (w.e.f. August 30, 2013)	India	100%	NA

b) Information on Limited Liability Partnership

Sr. No.	Name of the LLP	Country of Incorporation	Percentage of Holding	
			Current year %	Previous Year %
1.	Godrej Buildcorp LLP	India	35%	35%
2.	Godrej Property Developers LLP	India	32%	32%
3.	Godrej Vikhroli Properties LLP	India	60%	60%

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Sr. No.	Name of the LLP	Country of Incorporation	Percentage of Holding	
			Current year %	Previous Year %
4.	Mosiac Landmarks LLP	India	51%	51%
5.	Dream World Landmarks LLP (Control through Majority Voting Rights)	India	40%	40%
6.	Oxford Realty LLP (Control through Majority Voting Rights) (w.e.f. March 13, 2014)	India	20%	NA
7.	SSPDL Green Acres LLP (Control through Majority Voting Rights) (w.e.f. March 27, 2014)	India	44%	NA

Note 27

Schemes of Amalgamation:

- The Hon'ble High court of Judicature at Bombay has, vide order dated March 07, 2014, sanctioned a Scheme of Amalgamation of Godrej Estate Developers Limited (wholly owned subsidiary) with Godrej Sea View Properties Limited (Scheme I). The appointed date for the Amalgamation is December 31, 2013 and the Effective Date is April 12, 2014. The Scheme has been given effect to in the books of amalgamated company as amalgamation in the nature of purchase.
- The Hon'ble High court of Judicature at Bombay has, vide order dated April 11, 2014, sanctioned a Scheme of Amalgamation of Godrej Sea View Properties Limited and Godrej Nandi Hills Project Private Limited (both wholly owned subsidiaries) with Godrej Properties Limited (Scheme II). The appointed date for the Amalgamation is January 01, 2014 and the Effective Date is April 30, 2014. The Scheme has been given effect to in the books of amalgamated company as amalgamation in the nature of merger.
- The Hon'ble High court of Judicature at Bombay has, vide order dated April 29, 2014, sanctioned a Scheme of Amalgamation of Godrej Developers Private Limited (wholly owned subsidiary) with Godrej Projects Development Private Limited (Scheme III). The appointed date for the Amalgamation is April 01, 2013 and the Effective Date is April 30, 2014. The Scheme has been given effect to in the books of amalgamated company as amalgamation in the nature of purchase.

In accordance with the aforesaid Scheme of Amalgamation, an amount of ` 995,481,362/- on account of Goodwill on amalgamation has been adjusted from the Securities Premium Account and the opening balance of Surplus in the Statement of Profit & Loss instead of amortising the same in the Statement of Profit & Loss over a period of five years. The cost and expenses incurred in carrying out and implementing the scheme amounting to ` 4,216,441/- have been directly adjusted from the opening balance of Surplus in the Statement of Profit & Loss of the Transferee Company. Had these amounts been charged to the Statement of Profit & Loss, the profit for the year would have been lower by ` 203,312,713/-, the Goodwill would have been higher by ` 796,385,090/- (net written down value) and the Surplus in the Statement of Profit & Loss would have been higher by ` 296,885,090/- and Securities Premium Account would have been higher by ` 499,500,000/-.

- Overall on the consolidated basis, pursuant to the aforesaid Schemes of Amalgamation (a, b & c), the amount of ` 3,972,277,179/- arising out of the difference between the value of the net assets of the Transferor Companies taken over and cancellation of intercompany investments and loans and advances between the Transferor Company and the Transferee Companies to the extent of ` 153,777,611/- has been adjusted from the General Reserve and balance ` 3,818,499,568/- is adjusted from the surplus in the Statement of Profit & Loss. The cost and expenses arising out of or incurred in carrying out and implementing the schemes amounting to ` 7,830,407/- has been adjusted to an extent of ` 3,613,966/- from the General Reserve and balance ` 4,216,441/- is adjusted from surplus in Statement of Profit & Loss of the Company. The cost and expenses arising out of or incurred in carrying out and implementing the schemes amounting to ` 2,500,000/- has been charged off to the Statement of Profit & Loss during the year pursuant to the above mentioned Schemes.

Accordingly, the consolidated results of the Company for the year ended March 31, 2014 include the effects of the above referred amalgamation and hence are not comparable with previous year results.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 28

a) Contingent Liabilities:

Matters	Current year	Previous Year
I) Claims against Group's not Acknowledged as debts;		
i) Claims against the Group's not acknowledged as debts represents cases filed by parties in the Consumer forum, Civil Court and High Court and disputed by the Company as advised by our advocates. In the opinion of the management the claims are not sustainable.	97,815,560	83,499,992
ii) Claims against the Company under the Labour Laws for disputed cases	1,989,240	1,989,240
iii) Claims against the Company under Bombay Stamp Act, 1958	14,850,000	14,850,000
iv) Other Claims against the Company not acknowledged as debts	11,184,920	3,925,000
v) Claims against the Group's under Income Tax Act, Appeal preferred to Commissioner of Income Tax (Appeals)	15,552,749	15,552,749
vi) Claims against the Company under Sales Tax Act, Appeal preferred to The Joint Commissioner of Commercial Taxes (Appeals)	21,874,981	12,130,007
vii) Appeal preferred to Customs, Excise and Service Tax Appellate tribunal at Bengaluru	335,102,594	316,499,606
viii) Demand raised wide audit memo issued by office of Commissioner of Service tax New Delhi	2,656,077	-
II) Guarantees;		
i) Guarantees given by Bank, counter guaranteed by the Company	349,882,721	177,210,003
III) Other Money for which Company is contingently liable		
i) Letter of credit opened by Bank on behalf of the Company	16,251,488	113,425,102

b) Commitments

Particulars	Current year	Previous Year
i) Uncalled amount of partly paid shares of Tahir Properties Limited	7,850	7,850
ii) Major Contracts Commitment Outstanding for Civil, Elevator, External Development, MEP work etc	16,491,447,740	12,400,655,385

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 29

- a) The Initial Public Offer (IPO) proceeds have been utilized as per objects of the issue as stated in the prospectus as under:

Particulars	(Amount in `) March 31, 2014
Amount Received from IPO	4,688,471,300
* Utilization of Funds up to the reporting date :	
Funding to part finance the acquisition of land developments rights and construction costs	2,179,110,000
Repayment of Loans	2,104,011,157
Issue Expenses	405,350,143
TOTAL	4,688,471,300

*Revised Amount Proposed to be utilized as approved by shareholders in AGM held on July 27, 2013.

- b) The Right Issue proceeds have been utilized as per objects of the issue as stated in the letter of offer as under:

Particulars	(Amount in `) March 31, 2014
Amount Received from Rights Issue	6,999,976,100
* Utilization of Funds up to the reporting date :	
Repayment of Loans	1,451,200,000
Issue Expenses	90,136,100
Balance unutilized amount temporarily invested in	
Mutual Funds	5,458,640,000
TOTAL	6,999,976,100

*As on 31st March, 2014, unutilized funds have been temporarily invested in debt mutual funds schemes as mentioned in the letter of offer of the Company.

Note 30

- a) Outstanding Secured Debentures to HDFC Venture Trustee Company Limited:

Sr. No.	Particulars	Issuer	Deemed Date of Allotment	Units	Amount (`)
	*1% Secured Redeemable Optionally Convertible Debentures	Godrej Realty Private limited	16 th March 2006 12 th March 2007	1,156,876 1,715,000	11,568,760 17,150,000
	Total			2,871,876	28,718,760

*The subsidiary company ("the Issuer company") had issued debentures to HDFC Venture Trustee Company Limited, which are redeemable on April 10, 2015 and are secured to the extent of specific immovable assets of the Group disclosed under the head "Fixed Assets" amounting to ` 222,175/-.

Further the Issuer company has created a Debenture Redemption Reserve as required under section 117 (C) of the Companies Act, 1956 to the extent of Profit available for distribution.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

b) Outstanding Compulsorily Convertible Debentures to Madhavi Ventures Limited:

Sr. No.	Particulars	Issuer	Date of Allotment	Units	Amount (₹)
1.	12% Compulsorily Convertible Debenture	Godrej Premium Builders Private Limited	29 th December, 2011	267,000	267,000,000

The subsidiary company ("the Issuer company") had issued debentures to Madhavi Ventures Limited, maximum term of these compulsory convertible debentures is 10 years from the date of allotment.

c) Outstanding Secured Debentures to ASK Property Investment Advisor & Group

Sr. No.	Particulars	Issuer	Date of Allotment	Units	Amount (₹)
1.	10% Secured Cumulative Optionally Convertible Class B Debenture	Godrej Landmark Redevelopers Private Limited	1 st April 2012 30 th April 2012 28 th May 2012 9 th November 2012 21 st March 2013 8 th May 2013 20 th September 2013 31 st October 2013 17 th December 2013	1,176,000 350,000 2,230,000 200,000 270,000 293,750 200,000 274,400 2,630,750	117,600,000 35,000,000 223,000,000 20,000,000 27,000,000 29,375,000 20,000,000 27,440,000 263,075,000
	TOTAL			7,624,900	762,490,000

The debentures are redeemable on the basis of Remainder Amounts as defined in Share Purchase, Subscription and Shareholders Agreement dated 31st March, 2012. The interest shall be accrued on annual basis.

d) Outstanding Compulsorily Convertible Debentures to Heritage Investments

Sr. No.	Particulars	Issuer	Date of Allotment	Units	Amount (₹)
i)	17.45% Compulsorily Convertible Debenture	Godrej Redevelopers (Mumbai) Private Limited*	24 th June 2013 1 st October 2013	10,128 7,980	10,128,000 7,980,000
	TOTAL			18,108	18,108,000

*The Compulsory Convertible Debentures will be converted in to equity shares in the year 2019 based on the Fair Value.

e) Outstanding Compulsorily Convertible Debentures to Shubh Properties Coöperatief U.A.

Sr. No.	Particulars	Issuer	Date of Allotment	Units	Amount (₹)
i)	17.45% Compulsorily Convertible Debenture	Godrej Redevelopers (Mumbai) Private Limited*	24 th June 2013 1 st October 2013	285,232 224,770	285,232,000 224,770,000
	TOTAL			510,002	510,002,000

*The Compulsory Convertible Debentures will be converted in to equity shares in the year 2019 based on the Fair Value.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 31

Dues to Micro and Small Enterprise

Disclosure of trade payables and other liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small & Medium Enterprises Development Act 2006". There is no amount overdue as on 31st March, 2014 to Micro & Small Enterprises on account of principal amount together with interest and also during the previous year.

Note 32

Employee Stock Option Plan :

- a) During the financial year ended 31st March, 2008, the Company instituted an Employee Stock Option Plan (GPL ESOP) approved by the Board of Directors, Shareholders and the Remuneration Committee, which provided allotment of 885,400* options convertible into 885,400* Equity Shares of ` 5/- each (Previous Year 442,700 Equity Shares of ` 10/- each) to eligible employees of Godrej Properties Limited and its Subsidiary Companies (the Participating Companies) with effect from 28th December, 2007.

The Scheme is administered by an Independent ESOP Trust which has purchased shares from Godrej Industries Limited (The Holding Company), equivalent to the number of options granted to the eligible employees of the Participating Companies.

Particulars	No. of Options		Weighted Average Exercise Price (`)
	As on March 31, 2014	As on March 31, 2013	
Options Outstanding at the beginning of the year	561,400*	635,400*	310.00 (plus interest) till March 31, 2012 for Equity Share of Face Value of ` 5/- each
Options granted	-	-	
Options exercised	-	-	
Less : Forfeited / Lapsed / Idle / Available for Reissue	46,000*	74,000*	
Options Outstanding at the year end	515,400*	561,400*	310.00 (plus interest) (till March 31, 2012) for Equity Share of Face Value of ` 5/- each

* Represents no. of equity shares post split from equity share of ` 10 each to equity share of ` 5 each.

All the Option Outstanding as on March 31, 2014 are vested.

- b) In the current year, in accordance with the opinion issued by the Expert Advisory Committee (EAC) of the ICAI in 2014 on Consolidation of ESOP Trust in the standalone financial statements, the Company has included the financial statements of the ESOP trust for preparation of the standalone financial statements. Consequently, the assets and liabilities of the Trust have been included in the financial statements of the Company and investments in the equity shares of the Company held by the Trust has been reduced from the share capital and reserves & surplus.

Balances arising from transactions between the Company and the Trust have been appropriately eliminated. The opening retained earnings of the Trust have been adjusted against reserves & surplus.

- c) The Company has provided loan of ` 74,840,920/- (Previous Year ` 75,320,420/-) to Godrej Industries Limited Employee Stock Option Scheme (GIL ESOP), which is administered by an independent ESOP Trust which purchases shares of GIL from the market equivalent to the number of stock options granted from time to time to eligible employees. The repayment of the loans granted by the Company to ESOP trust is dependent on the exercise of the options by the employees and the market price of the underlying shares of the unexercised options at the end of the exercise period.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 33

Employee Stock Grant Scheme

- a) During the period April 1, 2011 to March 31, 2014, the Company instituted an Employee Stock Grant Scheme (GPL ESGS) approved by the Board of Directors, shareholders and the Remuneration Committee, which provided allotment of 342,208 options convertible into 342,208 Equity Shares of ₹ 5/- each (Previous Year Equity Shares of ₹ 10/- each) to eligible employees of Godrej Properties Limited, its Holding and its Subsidiary Companies (the Participating Companies) 82,406* options with effect from 7th May, 2011, 3,756* options w.e.f. 1st October 2011, 72,416* options w.e.f. 1st June 2012, 22,040* options w.e.f. 1st June 2012, 4,436* options w.e.f. 1st August 2012, 690* options w.e.f. 1st November 2012, 720* options w.e.f. 1st February 2013, 30,000* options 1st June 2013 and 1,25,744* options 1st June 2013. Out of the total 342,208* stock grants 35,234* stock grants have lapsed on account of employees leaving the service of the company before the vesting date, 83,616* stock grants have been vested & exercised, hence 223,358* stock grants are outstanding as at March 31, 2014.

b)

Particulars	No. of Options		Exercise Price (₹)
	As on March 31, 2014	As on March 31, 2013	
Options Outstanding at the beginning of the year	132,662*	59,286*	5.00
Options granted	155,744*	100,302*	
Options exercised	65,048*	18,568*	
Less : Options lapsed	-	8,358*	
Options Outstanding at the year end	223,358*	132,662*	5.00

* Represents no. of equity shares post split from equity share of ₹ 10 each to equity share of ₹ 5 each Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option is ₹ 8.62 per share as on March 31, 2014.

- c) Employee compensation cost using the intrinsic value method recognized by the company in the Statement of Profit & Loss as on March 31, 2014 is ₹ 38,099,758/-
- d) The Fair Value of the share options has been determined using the Black – Scholes Option Pricing Model. Had the fair value method of accounting been used, the net profit earnings per share would have been as per the pro forma amounts indicated below.

(Amount in ₹)

Particulars	Current year	Previous Year
Net Profit (as reported)	1,594,393,043	1,384,349,315
Add: Stock based compensation expense determined under Intrinsic Value method recognized in Statement of Profit & Loss	38,099,758	20,549,623
Less: Stock based compensation expense determined under fair value based method (Pro Forma)	37,767,282	20,385,936
Net Profit (Pro Forma)	1,594,725,519	1,384,513,002
Basic Earnings per share (as reported)	8.62	8.21
Diluted Earnings per share (as reported)	8.62	8.21
Basic Earnings per share (Pro Forma)	8.62	8.21
Diluted Earnings per share (Pro Forma)	8.62	8.21

Note 34

Leases:

- a) The Group's significant leasing arrangements are in respect of operating leases for Residential premises. Lease income from operating leases is recognized on a straight-line basis over the period of lease. The particulars of the premises given under operating leases are as under:

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in `)

Particulars	Current year	Previous Year
Future minimum lease receipts under non-cancellable operating leases		
➤ Not later than 1 year	24,568,582	26,400
➤ Later than 1 year and not later than 5 years	74,456,290	105,600
➤ Later than 5 years	462,308,609	-

- b) The Group's significant leasing arrangements are in respect of operating leases for Commercial / Residential premises. Lease expenditure for operating leases is recognized on a straight-line basis over the period of lease. These Leasing arrangements are cancellable, and are renewable on a periodic basis by mutual consent on mutually accepted terms. The particulars of the premises taken on operating leases are as under:

(Amount in `)

Particulars	Current year	Previous Year
Future minimum lease payments under operating leases		
➤ Not later than 1 year	70,154,254	72,052,021
➤ Later than 1 year and not later than 5 years	49,266,178	43,824,355
➤ Later than 5 years	24,743,570	-

Note 35

Employee Benefits:

a. Defined Contribution Plans:

Contribution to Defined Contribution Plan, recognized as expense for the year are as under:

(Amount in `)

Particulars	Current year	Previous Year
Employers' Contribution to Provident Fund	29,345,967	20,419,939
Employers' Contribution to ESIC	56,927	116,685

b. Defined Benefit Plans:

(i) Contribution to Gratuity Fund

Gratuity is payable to all eligible employees on death or on separation/termination in terms of the provisions of the Payment of Gratuity Act or as per the Group's policy whichever is beneficial to the employees.

The following table sets out the funded status of the gratuity plan and the amounts recognized in the Group's financial statements as at 31 March 2014:

(Amount in `)

Particulars	Current year	Previous Year
Change in present value of obligation		
Present value of obligation as at beginning of the year	19,434,127	13,023,352
Interest Cost	1,554,730	1,106,985
Service Cost	4,298,352	3,473,662
Benefits Paid	(2,431,228)	(1,861,974)
Effect of Liability Transfer in	476,456	3,972,250
Effect of Liability Transfer out	(86,617)	-
Actuarial (gain)/loss on obligation	1,079,282	(280,148)
Present value of obligation, as at end of the year	24,325,102	19,434,127

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Particulars	Current year				Previous Year
Amount recognized in the Balance Sheet					
Present value of obligation, as at end of the year	24,325,102				19,434,127
Fair value of plan assets as at end of the year	-				-
Net obligation as at end of the year	24,325,101				19,434,127
Net gratuity cost for the year ended					
Current Service Cost	4,298,352				3,473,662
Interest Cost	1,554,730				1,106,985
Expected return on plan assets	-				-
Past Service Cost (Vested Benefit)	-				-
Net Actuarial (gain)/loss to be recognized	1,079,282				(280,148)
Net gratuity cost	6,932,364				4,300,499
Assumptions used in accounting for the gratuity plan for 5 Years	2013-14	2012-13	2011-12	2010-11	2009-10
Discount Rate	9.31%	8%	8.5%	8%	7.75%
Salary escalation rate	5%	5%	5%	5%	4.75%
Attrition Rate	1%	1%	1%	-	-
Experience Adjustment on Plan Liability Amount in `	5,330,888	1,412,105	7,042,698	3,206,416	423,180

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market

Note 36**Segment Information:**

As the Group has only one business segment, disclosure under Accounting Standard 17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India is not applicable.

Note 37**Related Party Disclosures:**

Related party disclosures as required by AS – 18, " Related Party Disclosures", are given below:	
i)	Shareholders (Holding Company) Godrej Industries Limited (GIL) holds 61.62% (Previous Year 61.46%) shares in the Company. GIL is the subsidiary of Godrej & Boyce Mfg. Co. Limited, the Ultimate Holding Company.
ii)	Other Related Parties in Godrej Group, where common control exists : Godrej Investments Private Ltd. Godrej Infotech Ltd. Wadala Commodities Ltd. Vora Soaps Limited Cartini India Limited Bahar Agrochem & Feeds Private Limited Godrej (Malaysia) Sdn. Bhd. (incorporated in Malaysia) Godrej (Singapore) Pte. Ltd. (incorporated in Singapore) Veromatic International BV (incorporated in the Netherlands) Busbar Systems (India) Ltd (formerly, Busbar Systems (India) Private Limited), (a Wholly-owned subsidiary w.e.f. 1 st February, 2013)(name changed w. e. f. 15th March, 2013) Annamudi Real Estates LLP
	A. Subsidiaries of Godrej Industries Ltd.: 1. Godrej Agrovet Ltd. (GAVL) 2. Ensemble Holdings & Finance Ltd. 3. Godrej International Ltd. (incorporated in the Isle of Man) 4. Natures Basket Ltd. 5. Godrej International Trading & Investments Pte Ltd. (Incorporated in Singapore) (a subsidiary of Godrej Industries Ltd) 6. Swadeshi Detergents Limited (a subsidiary of Godrej Industries Ltd w.e.f. 20th March, 2013)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	B. Subsidiaries of GAVL: <ol style="list-style-type: none"> 1. Golden Feed Products Ltd. 2. Godrej Seeds & Genetics Limited 3. Goldmuhor Agrochem & Feeds Limited (w.e.f. 2nd January, 2013) 4. Godrej Agrochem Ltd. (a subsidiary of GAVL incorporated on 22nd January, 2014)
	C. Subsidiary of Godrej (Malaysia) Sdn. Bhd.: <ol style="list-style-type: none"> 1. G&B Enterprises (Mauritius) Pvt. Ltd. (incorporated in Mauritius) (a wholly-owned subsidiary of Godrej (Malaysia) Sdn. Bhd.)
	D. Subsidiaries of Godrej (Singapore) Pvt. Ltd.: <ol style="list-style-type: none"> 1. JT Dragon Pte. Ltd. (Incorporated in Singapore) 2. Godrej (Vietnam) Co. Ltd. (Incorporated in Vietnam) (a wholly owned subsidiary of JT Dragon Pte. Ltd.)
	E. Subsidiaries of Veromatic International BV: <ol style="list-style-type: none"> 1. Veromatic Services BV (incorporated in the Netherlands) 2. Water Wonder Benelux BV (incorporated in the Netherlands)
	F. Other Subsidiaries (where the Group Company owns directly and/or indirectly through one or more subsidiaries, more than one half of the equity share capital) <ol style="list-style-type: none"> 1. Godrej Consumer Products Ltd. (GCPL)
	G. Subsidiaries and Sub-subsidiaries of GCPL: <ol style="list-style-type: none"> 1. Godrej South Africa (Proprietary) Ltd. (formerly, Rapidol (Pty) Ltd.) (incorporated in South Africa) 2. Godrej Netherlands BV (incorporated in th Netherlands) 3. Godrej Global MidEast FZE (incorporated in Sharjah, U.A.E.) 4. Godrej Consumer Products Mauritius Ltd. 5. Godrej Hygiene Products Ltd. (merged with GCPL w.e.f 1st April, 2013) 6. Godrej Consumer Products Holding (Mauritius) Ltd. (incorporated in Mauritius) 7. Godrej Household Products Lanka Pvt. Ltd. (incorporated in Sri Lanka) 8. Godrej Household Products Bangladesh Pvt. Ltd. (incorporated in Bangladesh) 9. Godrej Consumer Products Bangladesh Ltd. (incorporated in Bangladesh) 10. Godrej Mauritius Africa Holdings Ltd.(incorporated in Mauritius) 11. Godrej Weave Holdings Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Mauritius Africa Holdings Ltd.) 12. Godrej Consumer Products (UK) Ltd. (incorporated in the United Kingdom) (a subsidiary of Godrej Netherlands BV) 13. Godrej Consumer Products (UK) Ltd.(name changed from Keyline Brands Ltd. w.e.f. 5th July, 2013) 14. Inecto Manufacturing Ltd. (a subsidiary of Keyline Brands Ltd.) 15. Godrej Kinky Holdings Ltd.(a subsidiary of Godrej Consumer Products Mauritius Ltd) 16. Kinky Group Pty Ltd.(a subsidiary of Godrej Kinky Holdings Ltd) 17. Godrej Nigeria Ltd. (incorporated in Nigeria) (a subsidiary of Godrej Nigeria Holdings Ltd) 18. Indovest Capital Ltd. (incorporated in Malaysia) (a subsidiary of Godrej Consumer Products Holding (Mauritius) Ltd.) 19. Godrej Consumer Products Dutch Cooperatief UA, (incorporated in the Netherlands) (a subsidiary of Godrej Consumer Products Holding (Mauritius) Ltd) 20. Godrej Consumer Holdings (Netherlands) BV (incorporated in the Netherlands) (a subsidiary of Godrej Consumer Products Dutch Cooperatief UA) 21. Godrej Consumer Products (Netherlands) BV (incorporated in the Netherlands) (a subsidiary of Godrej Consumer Products Dutch Cooperatief UA) 22. Godrej Indonesia Netherlands Holding BV (incorporated in the Netherlands) (a subsidiary of Godrej Consumer Products Dutch Cooperatief UA) (merged with Godrej Consumer Holding (Netherlands) 23. PT Megasari Makmur (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV) 24. PT Intrajari Raya (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV) 25. PT Simba Indosnack Makmur (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV) upto 21st March, 2013) 26. PT Ekamas Sarijaya (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV) 27. PT Indomas Susemi Jaya (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV) 28. PT Sarico Indah (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV) 29. Godrej Argentina Dutch Cooperatief UA (incorporated in Netherlands) (a subsidiary of Godrej Consumer Products Mauritius Ltd.) 30. Godrej Netherlands Argentina Holding BV . (incorporated in Netherlands) (a subsidiary of Godrej Argentina Dutch Cooperatief UA)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	<p>31. Godrej Netherlands Argentina BV (incorporated in the Netherlands) (a subsidiary of Godrej Argentina Dutch Cooperatief UA)</p> <p>32. Panamar Procuccioness Srl (incorporated in Argentina) (a subsidiary of Godrej Netherlands Argentina BV)</p> <p>33. Argencos S.A. (incorporated in Argentina) (a subsidiary of Godrej Netherlands Argentina BV)</p> <p>34. Laboratoria Cuenca S.A. (incorporated in Argentina) (a subsidiary of Godrej Netherlands Argentina BV)</p> <p>35. Issue Group Uruguay S.A. (incorporated in Uruguay) (a subsidiary of Laboratoria Cuenca S.A.)</p> <p>36. Deciral S.A. (incorporated in Uruguay) (a subsidiary of Laboratoria Cuenca S.A.)</p> <p>37. Issue Group Brazil Ltd. (incorporated in Brazil) (a subsidiary of Laboratoria Cuenca S.A.)</p> <p>38. Consell S.A. (incorporated in Argentina) (a subsidiary of Laboratoria Cuenca S.A.)</p> <p>39. Godrej Consumer Products Nepal Pvt. Ltd.</p> <p>40. Subinite Pty Ltd. (incorporated in South Africa) (a subsidiary of Weave Business Holdings Mauritius Pvt. Ltd.)</p> <p>41. Lorna Nigeria Ltd (incorporated in Nigeria) (a subsidiary of Weave Business Holdings Mauritius Pvt. Ltd.)</p> <p>42. Weave IP Holding Mauritius Pvt. Ltd. (incorporated in Mauritius) (a subsidiary of Weave Business Holdings Mauritius Pvt. Ltd.)</p> <p>43. DGH Mauritius Pvt. Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Weave Holdings Ltd.)</p> <p>44. Weave Business Holdings Mauritius Pvt. Ltd. (incorporated in Mauritius) (a subsidiary of DGH Mauritius Pvt. Ltd.)</p> <p>45. Weave Trading Mauritius Pvt. Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Weave Holdings Ltd.)</p> <p>46. Hair Trading (offshore) S. A. L. (incorporated in Lebanon) (a wholly-owned subsidiary of Weave Trading Mauritius Pvt Ltd.)</p> <p>47. Weave Mozambique Limitada (incorporated in Mozambique) (a subsidiary of Weave Business Holdings Mauritius Pvt Ltd)</p> <p>48. Godrej Consumer Investments (Chile) Spa, (incorporated in Chile) (a subsidiary of Godrej Netherlands BV)</p> <p>49. Godrej Holdings (Chile) Limitada, (incorporated in Chile) (a subsidiary of Godrej Consumer Investments Spa)</p> <p>50. Cosmetica Nacional, (incorporated in Chile) (a subsidiary of Godrej Holdings (Chile) Limitada)</p> <p>51. Plasticos Nacional, (incorporated in Chile) (a subsidiary of Cosmetica Nacional)</p> <p>52. Godrej East Africa Holdings Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Consumer Products Ltd.)</p> <p>53. Style Industries Ltd. (incorporated in Kenya) (a subsidiary of DGH Phase Two Mauritius Pvt. Ltd.)</p> <p>54. DGH Phase Two Mauritius Pvt. Ltd. (incorporated in Mauritius) (a subsidiary Godrej East Africa Holdings Limited)</p> <p>55. Godrej Tanzania Holdings Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Consumer Products Ltd.)</p> <p>56. DGH Tanzania Ltd (incorporated in Tanzania) (a subsidiary of Godrej Tanzania Holdings Ltd.)</p> <p>57. Sigma Hair Ind Ltd (incorporated in Tanzania) (a subsidiary of DGH Tanzania Ltd)</p> <p>58. Godrej West Africa Holdings Ltd. (incorporated in Mauritius on 11th February, 2014) (a subsidiary of DGH Mauritius Pvt. Ltd.)</p> <p>59. Godrej Consumer Investments Holding Ltd. (incorporated in Mauritius on 8th October, 2013)</p>
iii)	<p>Joint Ventures and Associates:</p> <p>HDFC Venture Trustee Company Limited</p> <p>Red Fort India Real Estate Babur</p> <p>Milestone Real Estate Fund</p> <p>HDFC PMS</p> <p>India Realty Excellence Fund</p> <p>Madhavi SA Investments LLC</p> <p>Madhavi Ventures Limited</p> <p>Ramesh P. Bhatia</p> <p>Repton Landmarks LLP</p> <p>ASK Property Investment Advisor & Group</p> <p>Ask PMS Real Estate Special Opportunities Portfolio I (ASK PMS)</p> <p>Shubh Properties Coöperatief U.A (COOP)</p> <p>Oxford Shelters Private Limited</p> <p>Hritik Technologies & Realty Private Limited</p>
iv)	<p>Key Management Personnel :</p> <p>Mr. Pirojsha Godrej</p> <p>Mr. K.T. Jithendran</p> <p>Mr. V. Srinivasan</p>
v)	<p>Individuals exercising Significant Influence :</p> <p>Mr. A. B. Godrej</p> <p>Mr. N.B. Godrej.</p>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The following transactions were carried out with the related parties in the ordinary course of business.

(i) Details relating to parties referred to in items 1 (i), (ii) and (iii) above

(Amount in `)

Sr. No.	Description	Godrej & Boyce Mfg Co Ltd (i)	Godrej Industries Ltd (i)	Joint - Ventures and Associates (iii)	Other Related Parties In Godrej Group (ii)
1.	Issue/ Conversion of equity share capital/ capital account	113,861,800 -	4,362,293,975 -	72,562,327 7,371,521	- -
2.	Purchase of equity shares of subsidiaries	- -	- -	1,917,005,937 49,992,025	- -
3.	Sale of equity shares of subsidiaries	- -	- -	386,883,700 -	- -
4.	Purchase of fixed assets	1,518,858 1,305,146	262,500,000 -	- -	- 45,717
5.	Advances given/(taken)	- 6,755,527	- -	- -	- -
6.	Amount received against Sale of Units	4,955,751 1,016,648,787	- 2,718,730,307	- -	2,281,533,360 919,240,802
7.	Deposits given	- -	2,475,000 1,315,000	- -	- -
8.	Deposit repaid	- -	1,875,000 1,600,000	- -	- -
9.	Income Received from other Companies	545,654,200 444,387,093	12,252,564 12,252,562	4,111,380 4,984,677	- 137,900
10.	Expenses charged by other companies	229,373,332 481,244,302	135,942,105 65,648,785	- -	4,971,331 7,338,626
11.	Share of Profit in LLP	- -	514,895,760 530,610,902	71,678,948 -	- -
12.	Amount received on transfer of Employee	- -	2,659,587 11,579,502	- -	3,327,984 1,510,228
13.	Amount paid on transfer of Employee	- -	- -	- -	144,830 -
14.	Sale of Units	170,142,444 797,827,182	414,875,659 670,407,355	- -	2,735,959,988 481,405,717
15.	Dividend Paid	5,080,000 3,810,000	191,860,836 143,895,627	- -	5,924,620 5,753,550
16.	Debentures Interest	- -	- -	277,179,099 68,408,171	- -
17.	Investment in Debenture	- -	- -	1,834,685,000 422,600,000	- -
18.	Redemption of Debenture	- -	- -	- 179,531,240	- -
19.	Debentures Outstanding	- -	- -	2,553,003,760 718,318,760	- -

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

20.	Outstanding receivables, net of (payables)	(4,587,210,030) <i>(5,997,268,230)</i>	(102,365,210) <i>(16,919,665)</i>	(184,913,792) <i>41,075,471</i>	1,394,124 <i>(45,717)</i>
21.	Deposits Receivable	- -	6,540,000 <i>5,940,000</i>	- -	- -

Figures in italics are for previous year

(ii) Details relating to parties referred to in items 1 (iv) & (v) above

Sr. No.	Key Management Personnel (KMP)	Current year	Previous Year
1.	Remuneration	83,513,519	67,809,114
2.	Dividend paid	2,155,828	1,573,440
3.	Interest paid on Deposit	26,250	20,636
4.	Deposit Outstanding	250,000	-
5.	Amount received from Sale of Flats/ Units to KMP & their relative	22,180,048	10,826,300
6.	Issue of Equity Shares (Right Shares) to KMP & their relatives	142,240,150	-
7.	Individuals exercising significant Influence :		
	Dividend paid - Mr. N.B. Godrej	6,249,000	4,686,750
	Amount received from Sale of Flats/ Units - Mr. N.B. Godrej	984,939	1,447,411
	Issue of Equity Shares (Right Shares)	140,063,625	-

3. Significant Related Party Transactions.

Nature of Transactions	Other Related Parties in the Godrej Group	Amount in (₹)
Issue of equity share capital/ Capital Account	Shubh Properties Coöperatief U.A	72,562,327
	Godrej & Boyce Mfg Co. Limited	-
	Godrej Industries Limited	113,861,800
	HDFC Venture Trustee Company Limited	-
	Ramesh P. Bhatia	4,362,293,975
		-
Purchase of equity shares of subsidiaries	HDFC PMS	7,350,000
	HDFC Venture Trustee Company Limited	-
		21,408
Purchase of equity shares of subsidiaries	HDFC PMS	1,897,005,937
	HDFC Venture Trustee Company Limited	-
Sale of equity shares of subsidiaries	Shubh Properties Coöperatief U.A	49,992,025
		386,883,700
Advances given / (taken)	Godrej & Boyce Mfg Co. Limited	-
		6,755,527
Purchase of fixed assets	Godrej & Boyce Mfg Co. Limited	1,518,858
	Godrej Industries Limited	1,305,146
		262,500,000
		-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Amount Received against Sales of Unit	Godrej & Boyce Mfg. Co. Limited	44,955,751 1,016,648,787
	Godrej Consumer Products Limited	128,379,079 511,221,269
	Godrej Industries Limited	- 2,718,730,307
	Annamudi Real Estates LLP	2,153,154,281 -
Deposit Given	Godrej Industries Limited	2,475,000 1,315,000
Deposit Repaid	Godrej Industries Limited	1,875,000 1,600,000
Income Received from other Companies	Godrej Industries Limited	12,252,564 12,252,562
	Godrej & Boyce Mfg. Co. Limited	545,654,200 444,387,093
	Godrej Consumer Products Limited	- 137,900
	Repton Landmarks LLP	3,500,280 4,307,803
Expenses charged by other Companies.	Godrej & Boyce Mfg. Co. Limited	229,373,332 481,244,302
	Godrej Industries Limited	135,942,105 65,648,785
Share of Profit in LLP	Godrej Industries Limited	514,895,760 530,610,902
Amount received on transfer of Employee (Net)	Godrej Industries Limited	2,659,587 11,579,502
	Godrej Consumer Products Limited	3,327,984 1,510,228
Sale of Units	Godrej & Boyce Mfg. Co. Limited	170,142,444 797,827,182
	Godrej Industries Limited	414,875,659 670,407,355
	Godrej Consumer Products Limited	194,348,703 314,052,650
	Godrej Agrovet Limited	103,564,964 167,353,067
	Annamudi Real Estates LLP	2,438,046,321 -
Dividend Paid	Godrej Industries Limited	191,860,836 143,895,627
Debenture Interest	Shubh Properties Coöperatief U.A	190,184,031 -
	Madhavi SA Investments LLC	32,040,000 32,040,000
	Ask PMS & Others	54,667,880 34,664,386
	HDFC Venture Trustee Company Limited	287,188 1,703,785
Investment in Debenture	Shubh Properties Coöperatief U.A	1,494,795,000 -
	Ask PMS & Others	339,890,000 422,600,000

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Redemption of Debentures	HDFC Venture Trustee Company Limited	- <i>179,531,240</i>
Debentures Outstanding	Shubh Properties Coöperatief U.A	1,494,795,000
	Madhavi SA Investments LLC	- 267,000,000
	Ask PMS & Others	<i>267,000,000</i> 762,490,000
	HDFC Venture Trustee Company Limited	<i>422,600,000</i> 28,718,760
Outstanding receivables, net of (payables)	Godrej Industries Limited	(102,365,210) <i>(16,919,665)</i>
	Godrej & Boyce Mfg Co. Limited	(4,587,210,030) <i>(5,997,268,230)</i>
	HDFC Venture Trustee Company Limited	(366,589) <i>(79,402)</i>
Deposit Receivable	Godrej Industries Limited	6,540,000 <i>5,940,000</i>
Amount paid on transfer of Employee (Net)	Godrej Consumer Products Limited	144,830 -

Figures in italics are for previous year

Note 38

Earnings Per Share

Particulars	Current Year	Previous Year
Profit after tax (Including prior year's tax adjustments, Prior Period Income and excluding Minority Interest as per Statement of Profit & Loss)	₹ 1,594,393,043	₹ 1,384,349,315
Number of Shares at the beginning of the year	156,092,206*	156,073,638*
Number of Equity shares outstanding at the end of the year	199,234,030*	156,092,206*
Weighted average no. of equity shares outstanding	184,887,828*	168,575,327*
Add: Weighted average number of potential equity shares on account of employee stock options	99,357*	57,488*
Weighted average no. of common & dilutive common equity shares outstanding (Numbers)	184,987,185*	168,632,815*
Basic earnings per share	₹ 8.62	₹ 8.21
Diluted earnings per share	₹ 8.62	₹ 8.21
Nominal value of shares	₹ 5/-	₹ 5/-

*Represents no of equity shares post split from equity share of ₹ 10 each to equity share of ₹ 5 each

Note 39

i) Un-hedged Foreign Currency Exposures

Particulars	Current year		Previous Year	
	Foreign Currency	Amount in ₹	Foreign Currency	Amount in ₹
Uncovered Foreign currency exposure as at the year end				
US Dollar	17,930.10	1,083,950	67,093	3,649,127
Euro	-	-	4,800	333,810
Australian Dollar	-	-	11,073	625,938

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 40

Information in respect of Joint Development Projects.

Joint Development Projects - Development of the following Residential / Commercial Projects:

Godrej Gold County, Bengaluru	-	Revenue Sharing
Edenwoods, Mumbai	-	Revenue / Profit Sharing
Bhugaon, Pune	-	Profit Sharing
Godrej Alpine, Manglore	-	Area Sharing / Revenue Sharing
Sanjay Khan, Bengaluru	-	Revenue Sharing
Grenville Park, Mumbai	-	Profit Sharing
Godrej Garden City, Ahmedabad	-	Area Sharing / Revenue Sharing
Godrej Crest, Bengaluru	-	Area Sharing / Revenue Sharing
Godrej Platinum, Bengaluru	-	Area Sharing
Kochi	-	Revenue Sharing
Umbarde, Kalyan	-	Revenue Sharing
Godrej Frontier, Gurgaon	-	Area Sharing / Revenue Sharing
Godrej Serenity, Mumbai	-	Area Sharing / Revenue Sharing
Waterside IT Park, Kolkata	-	Area Sharing
Godrej Genesis, Kolkata	-	Area Sharing
Godrej Eternia, Chandigarh	-	Revenue Sharing
Godrej Palm Grove, Chennai	-	Revenue Sharing
Nandhi Hills, Bengaluru	-	Revenue Sharing
Godrej Anandam , Nagpur	-	Revenue Sharing
Godrej City, Mumbai	-	Profit Sharing
Bhandup, Mumbai	-	Revenue Sharing
Godrej Platinum, Mumbai	-	Revenue Sharing
Godrej Palms, Mumbai	-	Area Sharing
Godrej BKC, Mumbai	-	Profit Sharing
Electronic City, Bengaluru	-	Revenue Sharing
Godrej Summit, Gurgaon	-	Area Sharing
Moosapet, Hyderabad	-	Revenue Sharing
Sahakar Nagar, Mumbai	-	Revenue Sharing
Godrej Platinum, Kolkata	-	Revenue Sharing
Sundar Sangam Redevelopment, Mumbai	-	Area Sharing
Sahakar Nagar, II Mumbai	-	Revenue Sharing
Godrej United, Whitefield	-	Revenue Sharing
Godrej Enclave	-	Revenue Sharing
Godrej Oasis, Gurgaon	-	Profit Sharing
Okhla, New Delhi	-	Revenue Sharing
Godrej Sky, Mumbai	-	Profit Sharing
Godrej Links, Mumbai	-	Area Sharing
Currey Road, Mumbai	-	Profit Sharing
Godrej Platinum , Gurgaon	-	Revenue Sharing

Note 41

Previous year figures have been regrouped wherever necessary to conform to current year's classification.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

STATEMENTS REGARDING SUBSIDIARY COMPANIES & LIMITED LIABILITY PARTNERSHIP PURSUANT TO

Sr. No.	*Name of Subsidiary Company*	Accounting Period		Capital		Reserves		Total Assets		Total Liabilities		Details of Investments (except in case of investment in the subsidiaries & LLP's) ⁸	
		(a)		(b)		(c)		(d)		(e)		(f)	
		Current Period	Previous Period	31.03.2014	31.03.2013	31.03.2014	31.03.2013	31.03.2014	31.03.2013	31.03.2014	31.03.2013	31.03.2014	31.03.2013
1	Godrej Properties Limited	2013-14	2012-13	991,232,600	780,461,030	16,910,311,447	12,862,476,771	41,746,884,833	27,672,359,254	41,746,884,833	27,672,359,254	357,677,391	28,588
2	Godrej Realty Private Limited	2013-14	2012-13	17,350,000	17,350,000	19,968,346	20,611,164	98,389,239	97,400,514	98,389,239	97,400,514	-	-
3	Godrej Real Estate Private Limited	2013-14	2012-13	500,000	500,000	(1,693,119)	(1,401,454)	1,520,346,631	1,389,746,814	1,520,346,631	1,389,746,814	-	-
4	Godrej Sea View Properties Limited ¹	01.04.2013 TO 31.12.2013 ²	2012-13	1,500,000	500,000	1,302,724,279	22,093,809	2,685,086,283	1,000,745,288	2,685,086,283	1,000,745,288	-	-
5	Happy Highrises Limited	2013-14	2012-13	2,031,200	2,031,200	798,093,628	618,415,658	3,054,349,450	2,900,515,248	3,054,349,450	2,900,515,248	-	-
6	Godrej Estate Developer Limited ³	01.04.2013 TO 31.12.2013 ⁴	2012-13	600,000	500,000	377,276,329	(41,207,483)	3,199,173,781	2,141,429,638	3,199,173,782	2,141,429,638	-	-
7	Godrej Buildwell Private Limited	2013-14	2012-13	532,220	532,220	64,022,856	235,134	1,589,110,783	1,692,176,802	1,589,110,783	1,692,176,802	-	-
8	Godrej Buildcon Private Limited	2013-14	2012-13	500,000	500,000	(1,483,490)	(852,600)	11,724,301,573	8,798,798,322	11,724,301,573	8,798,798,322	-	-
9	Godrej Projects Development Private Limited	2013-14	2012-13	1,000,000	500,000	74,300,553	210,611,712	3,543,349,056	723,704,281	3,543,349,056	723,704,281	-	-
10	Godrej Premium Builders Private Limited	2013-14	2012-13	500,000	500,000	76,909,172	2,948,450	2,684,969,484	1,754,509,585	2,684,969,484	1,754,509,585	-	-
11	Godrej Garden City Properties Private Limited	2013-14	2012-13	500,000	500,000	1,542,178	(601,943)	151,158,224	90,297	151,158,224	90,297	-	-
12	Godrej Nandhi Hills Project Private Limited	01.04.2013 TO 31.12.2013 ⁵	2012-13	1,000,000	1,000,000	221,881,983	221,882,983	232,026,848	231,664,955	232,026,848	231,664,955	-	-
13	Godrej Green Homes Limited	24.12.2013 TO 31.03.2014	NA	500,000	NA	(88,094)	NA	500,000	NA	500,000	NA	-	NA
14	Wonder City Buildcon Private Limited	30.08.2013 TO 31.03.2014	NA	500,000	NA	(68,061)	NA	499,700	NA	499,700	NA	-	NA
15	Godrej Landmark Redevelopers Private Limited ⁶	2013-14	2012-13	500,000	500,000	601,783	(18,500)	2,354,206,356	934,044,642	2,354,206,356	934,044,642	-	-
16	Godrej Redevelopers (Mumbai) Private Limited ⁶	2013-14	08/02/13 to 31/03/13	536,950	500,000	73,263,264	455,130	1,273,789,821	136,186,415	1,273,789,821	136,186,415	-	-
17	Mosaic Landmarks LLP ⁷	2013-14	2012-13	148,383,566	2,100,000	-	(155,732)	659,916,761	367,114,456	659,916,761	367,114,456	-	-
18	Godrej Vikhroli Properties LLP ⁷	2013-14	2012-13	3,289,814,273	2,002,574,874	-	-	9,373,043,199	10,093,315,972	9,373,043,199	10,093,315,972	-	-
19	Dream World Landmarks LLP ⁷	2013-14	2012-13	21,251	21,251	(11,175)	(1,251)	34,136,631	48,090	34,136,631	48,090	-	-
20	Oxford Realty LLP ⁷	20.02.2014 TO 31.03.2014	NA	50,000	NA	(12,125)	NA	288,175,950	NA	288,175,950	NA	-	NA
21	SSPDL Green Acres LLP ⁷	2013-14	NA	174,491,625	NA	-	NA	200,141,460	NA	200,141,460	NA	-	NA
22	Godrej Developers Private Limited ⁹	NA	2012-13	NA	667,300	NA	(694,490)	NA	2,431,737,321	NA	2,431,737,321	NA	-

1 Converted into Public Limited Company w.e.f. 1st November, 2013

2 Merged with Godrej Properties Limited w.e.f. 1st January, 2014

3 Converted into Public Limited Company w.e.f. 7th November, 2013

4 Merged with Godrej Sea View Properties Limited w.e.f. 31st December, 2013

5 Merged with Godrej Properties Limited w.e.f. 1st January, 2014

6 Subsidiary of Godrej Projects Developments Private Limited

7 Limited Liability Partnership by virtue of control

8 357,644,327/- pertains to Wonder Space Properties Private Limited which is an Associate wherein Godrej Properties Limited hold 25.10%

9 Merged with Godrej Projects Development Private Limited w.e.f. 1st April, 2013

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

SECTION 212(8) OF THE COMPANIES ACT, 1956.

Turnover		Other Income		Profit before taxation		Provision for taxation		Profit after taxation		Proposed Dividend		Interim Dividend		Country
(g)		(h)		(i)		(j)		(k)		(l)		(m)		
31.03.2014	31.03.2013	31.03.2014	31.03.2013	31.03.2014	31.03.2013	31.03.2014	31.03.2013	31.03.2014	31.03.2013	31.03.2014	31.03.2013	31.03.2014	31.03.2013	-
7,665,569,778	4,894,951,683	1,025,522,359	627,851,964	962,136,514	1,396,051,733	(14,380,837)	169,374,255	976,517,351	1,226,677,478	398,694,444	312,306,628	-	-	INDIA
-	6,877,525	-	6,877,525	(642,918)	5,584,922	(100)	1,725,845	(642,818)	3,859,077	-	-	-	-	INDIA
-	-	-	-	(303,665)	(284,566)	(12,000)	(14,000)	(291,665)	(270,566)	-	-	-	-	INDIA
427,884,320	415,521,749	-	-	185,434,470	36,634,540	63,004,000	11,138,000	122,430,470	25,496,540	-	-	-	-	INDIA
746,438,036	1,580,283,316	1,343,591	-	272,202,970	325,110,352	92,525,000	106,478,400	179,677,970	218,631,952	-	-	-	-	INDIA
37,878,170	169,845,620	626,459	-	(1,564,189)	(58,954,382)	(148,000)	(258,466)	(1,416,189)	(58,695,916)	-	-	-	-	INDIA
601,275,742	557,887	-	-	94,724,722	387,221	30,937,000	117,220	63,787,722	270,001	-	-	-	-	INDIA
-	-	-	-	(602,890)	(608,682)	28,000	82,000	(630,890)	(690,682)	-	-	-	-	INDIA
647,246,911	174,673,099	500,026,785	36,673,099	515,493,643	123,973,778	151,607,000	37,406,984	363,886,643	86,566,794	-	-	-	-	INDIA
116,907,065	11,952,491	116,791,119	11,952,491	112,109,721	4,267,487	38,149,000	1,161,990	73,960,721	3,105,497	-	-	-	-	INDIA
9,698,345	-	3,264,903	-	2,846,531	(235,820)	702,410	-	2,144,121	(235,820)	-	-	-	-	INDIA
-	3,086,565	-	-	(1,000)	2,996,461	-	933,900	(1,000)	2,062,561	-	-	-	-	INDIA
-	NA	-	NA	(88,094)	NA	-	NA	(88,094)	NA	-	NA	-	NA	INDIA
-	NA	-	NA	(68,061)	NA	-	NA	(68,061)	NA	-	NA	-	NA	INDIA
15,472,631	11,545,402	15,472,631	11,545,402	892,783	(16,650)	272,500	-	620,283	(16,650)	-	-	-	-	INDIA
62,049,924	1,183,562	62,049,924	1,183,562	24,763,031	668,430	8,110,700	213,300	16,652,331	455,130	-	-	-	-	INDIA
544,321,735	4,984,677	4,500,300	4,984,677	221,864,199	(135,732)	75,424,900	20,000	146,439,299	(155,732)	-	-	-	-	INDIA
3,885,276,782	4,441,524,335	279,353,241	29,239,655	1,951,111,599	1,913,846,512	663,872,200	587,319,257	1,287,239,399	1,326,527,255	-	-	-	-	INDIA
-	-	-	-	(1,924)	(1,251)	8,000	-	(9,924)	(1,251)	-	-	-	-	INDIA
-	NA	-	NA	(12,125)	NA	-	NA	(12,125)	NA	-	NA	-	NA	INDIA
-	NA	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA	INDIA
NA	293,603,474	NA	281,385	NA	(41,556,102)	NA	(20,952)	NA	(41,535,150)	NA	-	NA	-	INDIA

A. B. GODREJ
Chairman

PIROJSHA GODREJ
Managing Director & Ceo

SHODHAN A. KEMBHAVI
Company Secretary

NOTICE

Notice is hereby given that the 29th Annual General Meeting of the Members of Godrej Properties Limited will be held on Saturday, August 2, 2014, at 2.30 p.m. at Y. B. Chavan Pratishthan, Gen. Jagannathrao Bhonsle Marg, Nariman Point, Mumbai 400 021, to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Statement of Profit and Loss Account and the Cash Flow Statement of the Company for the financial year ended March 31, 2014, the Balance Sheet as at that date together with the Report of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares issued by the Company, for the financial year ended March 31, 2014.
3. To appoint a Director in place of Mr. Adi B. Godrej (DIN:00065964), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Nadir B. Godrej (DIN: 00066195), who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint M/s. Kalyaniwalla & Mistry, Chartered Accountants (Firm Registration No. 104607W), the retiring Auditors as the Auditors of the Company to hold office from the conclusion of this 29th Annual General Meeting till the conclusion of the 32nd Annual General Meeting to be held in 2017 (subject to ratification of their appointment at every Annual General Meeting) and to authorise the Board of Directors to fix their remuneration as may be mutually agreed with the Auditors, in addition to reimbursement of service tax and all out of pocket expenses incurred in connection with the audit of accounts 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 provisions of Section 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof and any rules made thereunder, for the time being in force) (the **“Companies Act”**) and pursuant to the provisions of the Articles of Association of the Company and subject to such other approvals as may be required, consent of the Members of the Company be and is hereby accorded for payment of revised remuneration to Mr. K. T. Jithendran – Executive Director (DIN:01181998), with effect from April 1, 2014 on the terms and conditions as mentioned herein below.

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 payable to Mr. K. T. Jithendran is Rs. 6,21,638 per month. The annual basic salary and increments during his term will be decided by the Remuneration Committee / the Nomination and Remuneration Committee / the Board of Directors depending on the performance of Mr. K. T. Jithendran, 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 year 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 Mr. K. T. Jithendran for each financial year.

The collective target component is Rs. 46,00,000/-.

III. Flexible Compensation:

In addition to the fixed compensation and the performance bonus mentioned above, Mr. K. T. Jithendran 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 (collectively, the **“perquisites and allowances”**).

These perquisites and allowances shall be granted to Mr. K. T. Jithendran as per the rules of the Company and in the manner as the Remuneration Committee / the Nomination and Remuneration Committee / the Board of Directors may decide.

NOTICE

- i. Housing i.e. unfurnished residential accommodation or house rent allowance as per the Company's rules;
- ii. Furnishing at residence;
- iii. Supplementary allowance;
- iv. Leave travel assistance for self and family;
- v. Payment/reimbursement of medical expenses for self and family;
- vi. Payment/reimbursement of food vouchers, petrol reimbursement;
- vii. Company cars with driver for official use, provision of telephone(s) at residence;
- viii. Housing loan and/or contingency loan as per rules of the Company. These loans shall be subject to Central Government's approval, if required;
- 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; and
- 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 / the Nomination and Remuneration Committee / the Board of Directors from time to time.

The maximum cost to the Company per annum for the grant of the perquisites and allowances listed above to Mr. K. T. Jithendran as an Executive Director of the Company is Rs.12,316,383. In addition to the above, Mr. K. T. Jithendran will be eligible for encashment of leave, club facilities, group insurance cover, group hospitalization cover, reimbursement of mobile expenses, and / or any other allowances and perquisites and facilities as per the rules of the Company. Further, Mr. K. T. Jithendran will also be entitled to the stock options / stock grants as per the prevailing schemes of the Company.

Explanation:

- i) For the leave travel assistance and reimbursement of medical and hospitalization 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 the applicable income tax rules.

IV. Other Reimbursements:

Mr. K. T. Jithendran 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. K. T. Jithendran as an Executive Director of the Company, the Company has no profits or its profits are inadequate, Mr. K. T. Jithendran shall be entitled to remuneration by way of salary, allowances and perquisites not exceeding the limits specified in Schedule V of the Companies Act.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby jointly and severally authorized to execute the agreement with Mr. K. T. Jithendran for the revised remuneration with effect from April 1, 2014 on the terms and conditions as provided above and to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable for giving effect to the foregoing resolution, and to settle any question, or doubt that may arise in relation thereto."

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 Section 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof and any rules made thereunder, for the time being in force) (the "**Companies Act**") and pursuant to the provisions of the Articles of Association of the Company and subject to such other approvals as may be required, consent of the Members of the Company be

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and is hereby accorded for payment of revised remuneration to Mr. Pirojsha Godrej, Managing Director & Chief Executive Officer (MD & CEO) (DIN:00432983), with effect from April 1, 2014 on the term and conditions as mentioned herein below.

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 payable to Mr. Pirojsha Godrej is Rs. 4,92,800 per month. The annual basic salary and increments during his term will be decided by the Remuneration Committee / the Nomination and Remuneration Committee / the Board of Directors depending on the performance of Mr. Pirojsha Godrej as 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 year 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 Mr. Pirojsha Godrej as MD & CEO for each financial year.

The collective target component of performance bonus is Rs. 42,00,000.

III. Flexible Compensation:

In addition to the fixed compensation and the performance bonus mentioned above, 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 (collectively, the "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 / the Nomination and Remuneration Committee / the Board of Directors 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 for self and family;
- iv. Payment/reimbursement of medical expenses for self and family;
- v. Payment/reimbursement of food vouchers;
- vi. Housing loan and/or contingency loan as per the rules of the Company. These loans shall be subject to Central Government's approval, if required;
- 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; and
- 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 Nomination and Remuneration Committee / the Board of Directors from time to time.

The maximum cost to the Company per annum for the grant of the perquisites and allowances listed above to Mr. Pirojsha Godrej as MD & CEO is Rs.1,61,89,601/-. In addition to the above, Mr. Pirojsha Godrej is entitled to furnishing at residence, provision of telephone at residence, electricity expenses for the leased accommodation, payment/reimbursement of telephone and mobile 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 and the cost of maintenance of Company leased accommodation will be at actuals.

Explanation:

- i) For the leave travel assistance and reimbursement of medical and hospitalization expenses, 'family' means the spouse, dependent children and dependent parents.

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- ii) Perquisites shall be evaluated at actual cost, or if the cost is not ascertainable, the same shall be valued as per the applicable 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 V of the Companies Act.

RESOLVED FURTHER THAT the Board of Directors be and are hereby jointly and severally authorized to execute the agreement with Mr. Pirojsha Godrej for payment of revised remuneration with effect from April 1, 2014, on the terms and conditions as provided above and to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable for giving effect to the foregoing resolution, and to settle any question, or doubt that may arise in relation thereto."

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 Section 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof and any rules made thereunder, for the time being in force) (the **"Companies Act"**) and pursuant to the provisions of the Articles of Association of the Company and subject to such other approvals as may be required, consent of the Members of the Company be and is hereby accorded for payment of revised remuneration to Mr. V. Srinivasan, Executive Director (DIN:00208978), with effect from April 1, 2014 on term and conditions as mentioned herein below.

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 payable to Mr. V. Srinivasan is Rs.3,57,504 per month. The annual basic salary and increments during his term will be decided by the Remuneration Committee / the Nomination and 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 Mr. V. Srinivasan for each financial year.

The collective target component is Rs. 28,00,000.

III. Flexible Compensation:

In addition to the fixed compensation and the performance bonus mentioned above, 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 (collectively, the **"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 / the Nomination and Remuneration Committee / the Board of Directors may decide.

- i. House rent allowance as per the Company's rules;
- ii. Supplementary allowance;
- iii. Leave travel assistance for self and family;
- iv. Payment/reimbursement of medical expenses for self and family;

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- v. Payment/reimbursement of food vouchers, petrol reimbursement;
- vi. provision of telephone(s) at residence;
- vii. Housing loan and/or contingency loan as per rules of the Company. These loans shall be subject to Central Government's approval, if required;
- viii. 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; and
- ix. 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 Nomination and Remuneration Committee / the Board of Directors from time to time.

The maximum cost to the Company per annum for the grant of the perquisites and allowances listed above to Mr. V. Srinivasan as an Executive Director of the Company is Rs. 81,27,795. In addition to the above, Mr. V. Srinivasan will be eligible for encashment of leave, club facilities, group insurance cover, group hospitalization cover, reimbursement of mobile expenses, company cars with driver for official use, 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 the prevailing schemes of the Company.

Explanation:

- i) For the leave travel assistance and reimbursement of medical and hospitalization 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 the applicable 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 an 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 V of the Companies Act.

RESOLVED FURTHER THAT the Board of Directors be and are hereby jointly and severally authorized to execute the agreement with Mr. V. Srinivasan for payment of revised remuneration with effect from April 1, 2014, on the terms and conditions as provided above and to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable for giving effect to the foregoing resolution, and to settle any question, or doubt that may arise in relation thereto.

RESOLVED FURTHER THAT in partial modification to resolution no. 8 passed at the 27th Annual General Meeting of the Company held on July 28, 2012, Mr V. Srinivasan be and is hereby appointed as a Director, liable to retire by rotation."

9. To consider and if thought fit to pass with or without modification the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV, 160 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof and any rules made thereunder, for the time being in force) (the "**Companies Act**") and Clause 49 of the Listing Agreement and pursuant to the provisions of the Articles of Association of the Company and subject to such other approvals as may be required, consent of the Members of the Company be and is hereby accorded for appointment of Mr. Keki B. Dadiseth (DIN:00052165), Director of the Company and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, as an Independent Director of the Company for a period of five years with effect from the date of this Annual General Meeting i.e. August 2, 2014.

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10. To consider and if thought fit to pass with or without modification the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV, 160 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof and any rules made thereunder, for the time being in force) (the “**Companies Act**”) and Clause 49 of the Listing Agreement and pursuant to the provisions of the Articles of Association of the Company and subject to such other approvals as may be required, consent of the Members of the Company be and is hereby accorded for appointment of Mrs. Lalita D. Gupte (DIN:00043559), Director of the Company and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, as an Independent Director for a period of five years with effect from the date of this Annual General Meeting i.e. August 2, 2014.
11. To consider and if thought fit to pass with or without modification the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV, 160 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof and any rules made thereunder, for the time being in force) (the “**Companies Act**”) and Clause 49 of the Listing Agreement and pursuant to the provisions of the Articles of Association of the Company and subject to such other approvals as may be required, consent of the Members of the Company be and is hereby accorded for appointment of Mr. Amit B. Choudhury (DIN:00557547), Director of the Company and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, as an Independent Director of the Company for a period of five years with effect from the date of this Annual General Meeting i.e. August 2, 2014.
12. To consider and if thought fit to pass with or without modification the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV, 160 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof and any rules made thereunder, for the time being in force) (the “**Companies Act**”) and Clause 49 of the Listing Agreement and pursuant to the provisions of the Articles of Association of the Company and subject to such other approvals as may be required, consent of the Members of the Company be and is hereby accorded for appointment of Mr. S. Narayan (DIN: 00094081), Director of the Company and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, as an Independent Director of the Company for a period of five years with effect from the date of this Annual General Meeting i.e. August 2, 2014.”
13. To consider and if thought fit to pass with or without modification the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV, 160 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof and any rules made thereunder, for the time being in force) (the “**Companies Act**”) and Clause 49 of the Listing Agreement and pursuant to the provisions of the Articles of Association of the Company and subject to such other approvals as may be required, consent of the Members of the Company be and is hereby accorded for appointment of Dr. Pritam Singh (DIN: 00057377), Director of the Company and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, as an Independent Director of the Company for a period of five years with effect from the date of this Annual General Meeting i.e. August 2, 2014.”
14. To consider and if thought fit to pass with or without modification the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV, 160 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof and any rules made thereunder, for the time being in force) (the “**Companies Act**”) and Clause 49 of the Listing Agreement and pursuant to the provisions of the Articles of Association of the Company and subject to such other approvals as may be required, consent of the Members of the Company be and is hereby accorded for appointment of Mr. Amitava Mukherjee (DIN: 00003285), Director of the Company and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, as an Independent Director of the Company for a period of five years with effect from the date of this Annual General Meeting i.e. August 2, 2014.”
15. To consider and if thought fit to pass with or without modification the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV, 160 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof and any rules made thereunder, for the time being in force) (the “**Companies Act**”) and Clause 49 of the Listing Agreement and

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pursuant to the provisions of the Articles of Association of the Company and subject to such other approvals as may be required, consent of the Members of the Company be and is hereby accorded for appointment of Mr. Pranay Vakil (DIN: 00433379), Director of the Company and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, as an Independent Director of the Company for a period of five years with effect from the date of this Annual General Meeting i.e. August 2, 2014."

16. To consider and if thought fit to pass with or without modification the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof and any rules made thereunder, for the time being in force) (the **"Companies Act"**), Article 143 of the Articles of Association of the Company be and is hereby amended and replaced as follows "A Managing Director and Mr. K.T. Jithendran, Executive Director who were appointed by the Company in General Meeting shall not, while they continue to hold the office of Managing Director and Executive Director be subject to retirement in accordance with Article 132 and 133. If they cease to hold the office of the Director they shall ipso facto and immediately cease to be a Managing Director and Executive Director respectively."

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

Sd/-

**Shodhan A. Kembhavi
Vice President (Legal) & Company Secretary**

Place : Mumbai
Dated : May 2, 2014

Registered Office : Godrej Bhavan,
4th Floor, 4A Home Street,
Fort, Mumbai 400 001
CIN: L74120MH1985PLC035308
Tel: 91 22 6651 0200 Fax: 91 22 2207 2046
Website: www.godrejproperties.com

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/ HERSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING. A person can act as a proxy on behalf of not more than fifty members and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**
2. All documents referred to in the accompanying Notice are available for inspection at the Registered Office of the Company during office hours on all days except Saturdays, Sundays and public holidays, up to the date of this 29th Annual General Meeting.
3. An explanatory statement pursuant to Section 102 of the Companies Act, 2013, as amended (the **"Companies Act"**) with respect to Item Nos. 6 to 16 of the notice set out above is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will be closed from Thursday July 31, 2014 to Friday August 1, 2014 (both days inclusive) for ascertaining the names of the Members to whom the dividend, if declared at the Annual General Meeting, is payable.
5. The dividend, if declared at the Annual General Meeting, will be payable on and from August 8, 2014 as follows:
 - a. For shares held in physical form – to those members whose names appear in the Register of Members on the close of the day on Wednesday July 30, 2014; and
 - b. For shares held in dematerialised form to those beneficiaries, whose names are furnished by the National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners on Wednesday July 30, 2014.

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6. The Securities and Exchange Board of India ("SEBI") has made it mandatory for all listed companies to use the bank account details furnished by the depositories for depositing dividends. Dividend will be credited to the Members' bank account through NECS wherever complete core banking details are available with the Company. In cases where the core banking details are not available, dividend warrants will be issued to the members with bank details printed thereon as available in the Company's records.
7. The details of the directors seeking appointment/re-appointment under item nos. 3, 4 and item nos. 9 to 15 of this Notice, as stipulated under Clause 49 of the Listing Agreement, is annexed hereto.
8. Corporate Members intending to send their authorised representatives to attend the 29th Annual General Meeting are requested to send a certified copy of the board resolution authorising their representative to attend and vote on their behalf at the meeting.
9. Members desirous of asking any questions at the 29th Annual General Meeting are requested to send in their questions so as to reach the Company's Registered Office at least 7 days before the date of the 29th Annual General Meeting, so that the same can be suitably replied to.
10. Members are requested to address all correspondence, including dividend matters, to the Registrar and Share Transfer Agents, Karvy Computershare Private Limited, Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad 500 081.
11. Members wishing to claim dividends, which remain unpaid are requested to contact the Registrar and Share Transfer Agents, Karvy Computershare Private Limited, Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad 500 081. Members are requested to note that the amount of dividend which remains unclaimed for a period of 7 years from the date of such transfer will be transferred to the Investor Education and Protection Fund as per Sections 124 and 125 of the Companies Act.
12. The Company is concerned about the environment and utilizes natural resources in a sustainable way. The Ministry of Corporate Affairs, Government of India, has permitted companies to send official documents to their members electronically as part of its green initiatives in corporate governance.

To support the green initiative of the Ministry of Corporate Affairs, the Notice convening the Annual General Meeting (AGM), Financial Statements, Directors' Report, Auditors' Report, etc, is being sent by electronic mode to those Members whose email addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same. Members who have not registered their email addresses so far are requested to register their email address with their Depository Participant only, for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
13. Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting and also their copy of the Annual Report. Members who have received the notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and Submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
14. In terms of Sections 107 and 108 of the Companies Act read with the Companies (Management and Administration) Rules, 2014 and clause 35B of the Listing Agreement the Company is providing the facility to its Members holding shares in physical or dematerialized form as on the cut-off date, being June 20, 2014, to exercise their right to vote by electronic means on any or all of the businesses specified in the accompanying Notice. Details of the process and manner of e-voting along with the User ID and Password is being sent to all the Members along with the Notice.

The Company has engaged the services of Karvy Computershare Private Limited (**Karvy**) to provide e-voting facilities and for security and enabling the members to cast their vote in a secure manner.

Commencement of e-voting: From 9.00 a.m. on July 26, 2014

End of e-voting: At 5.00 p.m. on July 28, 2014

Instructions and other information relating to e-voting are as under:

(a) Members receiving an email from Karvy:

- (i) Open the email which contains your user ID and password for e-voting. Please note that the password is an initial password
- (ii) Launch internet browser by typing the URL: <https://evoting.karvy.com>

NOTICE

- (iii) Enter the login credentials (i.e. User ID and password mentioned above). Your Folio No./DP ID- Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
- (iv) After entering these details appropriately, click on "LOGIN".
- (v) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- (vi) You need to login again with the new credentials.
- (vii) On successful login, the system will prompt you to select the E-Voting Event Number for Godrej Properties Limited.
- (viii) On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as on the cut-off date, as mentioned above. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
- (ix) Members holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
- (x) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- (xi) You may then cast your vote by selecting an appropriate option and click on "Submit".
- (xii) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- (xiii) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: evoting@karvy.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."

(b) Members receiving physical copy of the Notice of AGM and Attendance Slip:

- (i) Initial Password is provided, as follows, at the bottom of the Attendance Slip.

EVEN (E-Voting Event Number)	USER ID	PASSWORD
-	-	-

- (ii) Please follow all the steps from Sr. No (ii) to (xiii) above, to cast vote.

(c) Common Instructions:

- (i) E-voting shall not be allowed beyond 5.00 p.m. on July 28, 2014. During the e-voting period, Members of the Company, holding shares either in physical form or in dematerialized form, as on June 20, 2014 may cast their vote electronically. Once the vote on a resolution is cast by the members, the members shall not be allowed to change it subsequently.
- (ii) In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website <https://evoting.karvy.com>
- (iii) The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on, June 20, 2014.

NOTICE

- (iv) The Board of Directors has appointed Mr. Ashish Jain, a Practicing Company Secretary as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (v) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and will make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (vi) In case of Members who are entitled to vote but have not exercised their right to vote by electronic means, the Chairman will offer an opportunity to such Members to vote at the Meeting for all businesses specified in the accompanying Notice. For abundant clarity, please note that the Members who have exercised their right to vote by electronic means shall not vote at the Meeting. The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company. If a member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
- (vii) The Results of e-voting and poll voting at the meeting on resolutions shall be aggregated and declared on or after the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite numbers of votes in favour of the Resolutions.
- (viii) The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company (www.godrejproperties.com) and on Karvy's website (<https://evoting.karvy.com>) within two (2) days of passing of the resolutions and communication of the same to the BSE Limited and the National Stock Exchange of India Limited.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 6

The Board of Directors of the Company in its meeting held on May 17, 2010 and the members of the Company at Annual General Meeting held on July 17, 2010 appointed Mr. K. T. Jithendran as an Executive Director of the Company for a period of three years with effect from May 17, 2010.

The Board of Directors of the Company in its meeting held on May 9, 2013 and the members of the Company at the Annual General Meeting of the company held on July 27, 2013 approved the re-appointment of Mr. K. T. Jithendran as a Whole-time Director, designated as Executive Director of the Company, for a further period of three years with effect from May 17, 2013.

In the meeting of the Board of Directors held on May 2, 2014, the remuneration payable to Mr. K. T. Jithendran has been revised with effect from April 1, 2014, subject to the approval of the Members of the Company. The Members are informed that the proposed remuneration of Mr. K. T. Jithendran is within the limits provided in Schedule V of the Companies Act, 2013, as amended (the "**Companies Act**"). In the event of absence or inadequacy of profits in any financial year during the tenure of Mr. K. T. Jithendran as Executive Director of the Company, salary and perquisites subject to the limits stipulated under Schedule V read with Section 197 of the Companies Act, are payable.

Accordingly, the approval of the members of the company is sought for revision in the terms & conditions of the remuneration payable to Mr. K. T. Jithendran as Executive Director as mentioned in the Resolution at item no. 6 of this notice, with effect from April 1, 2014.

The Board of Directors recommend the passing of the Resolution set out at item no. 6 of this Notice.

Nature of concern or interest of Directors:

None of the directors and/or key managerial personnel of your Company and their relatives, except Mr. K. T. Jithendran, are concerned or interested, financially or otherwise, in the above Resolution.

ITEM NO. 7:

The Members at their meeting held on July 28, 2012, appointed Mr. Pirojsha Godrej as the Managing Director & Chief Executive Officer (MD & CEO) of the Company for a period of three years with effect from April 1, 2012.

In the meeting of the Board of Directors held on May 2, 2014, the remuneration payable to Mr. Pirojsha Godrej has been revised with effect from April 1, 2014, subject to the approval of the Members of the Company. The Members are informed that the proposed remuneration of Mr. Pirojsha Godrej is within the limits provided in Schedule V of the Companies Act, 2013, as

NOTICE

amended (the “Companies Act”). In the event of absence or inadequacy of profits in any financial year during the tenure of Mr. Pirojsha Godrej as MD & CEO of the Company, salary and perquisites subject to the limits stipulated under Schedule V read with Section 197 of the Companies Act, are payable.

Accordingly, the approval of the Members of the Company is sought for revision in the terms and conditions of the remuneration payable to Mr. Pirojsha Godrej as MD & CEO, as mentioned in the Resolution at Item No. 7 of this Notice, with effect from April 1, 2014.

The Board of Directors recommends the passing of the Resolution set out at Item No. 7 of this Notice.

Nature of concern or interest of Directors:

None of the directors and/or key managerial personnel of your Company and their relatives, except Mr. Adi B. Godrej, Mrs. Parmeshwar A. Godrej, Mr. Nadir Godrej and Mr. Pirojsha Godrej, are concerned or interested, financially or otherwise, in the above Resolution.

ITEM NO. 8:

The Members at their meeting held on July 28, 2012, appointed Mr. V. Srinivasan as Executive Director of the Company for a period of three years with effect from April 1, 2012.

In the meeting of the Board of Directors held on May 2, 2014, the remuneration payable to Mr. V. Srinivasan has been revised with effect from April 1, 2014, subject to the approval of the Members of the Company. The Members are informed that the proposed remuneration of Mr. V. Srinivasan is within the limits provided in Schedule V of the Companies Act, 2013, as amended (the “Companies Act”). In the event of absence or inadequacy of profits in any financial year during the tenure of Mr. V. Srinivasan as an Executive Director of the Company, salary and perquisites subject to the limits stipulated under Schedule V read with Section 197 of the Companies Act, are payable.

Accordingly, the approval of the Members of the Company is sought for revision in the terms and conditions of the remuneration payable to Mr. V. Srinivasan, Executive Director, as mentioned in the Resolution at Item No. 8 of this Notice, with effect from April 1, 2014.

In accordance with Section 152(6) of the Companies Act 2013, 2/3rd of seven non-independent Directors i.e five Directors will be liable to retire by rotation. However, three of the seven non-independent directors who were appointed as managerial personnel under the Companies Act, 1956 by the members at the Annual General Meeting were not liable to retire by rotation. It had therefore become necessary to elect one of the three managerial personnel as a Director liable to retire by rotation to comply with the requirements of the Company's Act. The Board at its meeting held on May 2, 2014 decided that Mr. V. Srinivasan, Executive Director be elected as Director liable to retire by rotation.

The approval of the members is sought for partial modification to resolution no. 8 passed at the 27th Annual General Meeting of the Company.

The Board of Directors recommends the passing of the Resolution set out at Item No. 8 of this Notice.

Nature of concern or interest of Directors:

None of the directors and/or key managerial personnel of your Company and their relatives, except Mr. V Srinivasan, are concerned or interested, financially or otherwise, in the above Resolution.

ITEM NO. 9 to 15

Pursuant to the provisions of Section 149 of the Companies Act, which came in to effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation. Further, in terms of sections 149 and 152 read with Schedule IV of the Companies Act, Independent Directors are required to be appointed for a term upto five consecutive years and are not liable to retire by rotation.

It is therefore proposed to appoint all existing independent directors of the Company, being, Mr. Keki B. Dadiseth, Mrs. Lalita D. Gupte, Mr. Amit B. Choudhury, Mr. S. Narayan, Dr. Pritam Singh, Mr. Amitava Mukherjee, and Mr. Pranay Vakil as Independent Directors under the provisions of the Companies Act for a period of five years from August 2, 2014 to August 1, 2019. In this regard, notices have been received from Members proposing Mr. Keki B. Dadiseth, Mrs. Lalita D. Gupte, Mr. Amit B. Choudhury, Mr. S. Narayan, Mr. Amitava Mukherjee, Dr. Pritam Singh and Mr. Pranay Vakil as candidate for the office of Directors of the Company. Accordingly, resolutions proposing appointment of Independent Directors are given at item no. 9 to 15 of this Notice.

NOTICE

In terms of the Companies Act and amended clause 49 of the listing agreement notified by SEBI on April 17, 2014 (the "Amendment"), the Board of Directors has reviewed the declarations made by them that they meet the criteria of independence as provided in section 149(6) of the Companies Act, and in the opinion of the Board, all these independent directors fulfil the conditions specified in the Companies Act and rules made thereunder for appointment as an independent director of the Company and are independent of the management. A copy of the draft letter for appointment as independent directors setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board of Directors recommends the passing of the Resolution set out at item nos. 9 to 15 of this Notice.

Nature of concern or interest of Directors:

None of the directors and/or key managerial personnel of your Company and their relatives, except Mr. Keki B. Dadiseth, Mrs. Lalita D. Gupte Mr. Amit B. Choudhury, Mr. S. Narayan, Dr. Pritam Singh, Mr. Pranay Vakil and Mr. Amitava Mukherjee are concerned or interested, financially or otherwise, in the above Resolutions. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchanges.

ITEM NO. 16:

As per section 152 of the Companies Act, not more than one-third of the total number of directors of a company is permitted to be appointed for a fixed term or not be liable to retire by rotation. For the purpose of calculating the total number of directors for the above mentioned requirement, independent directors of the Company are required to be excluded. The proposed amendment to Article 143 of the Articles of Association of the Company is for compliance with the requirements of the Companies Act,.

The Board of Directors recommends the passing of the Resolution set out at item no. 16 of this Notice.

Nature of concern or interest of Directors:

None of the Directors and/or key managerial personnel of your Company and their relatives, except Mr. Ad; B. Godrej, Mrs. Parmeshwar A. Godrej, Mr. Nadir B. Godrej, Mr. Pirojsha Godrej and Mr. K. T. Jithendran, are concerned or interested, financially or otherwise, in the above Resolution.

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

Place : Mumbai
Dated : May 2, 2014

**Shodhan A. Kembhavi
Vice President (Legal) & Company Secretary**

Registered Office : Godrej Bhavan,
4th Floor, 4A Home Street,
Fort, Mumbai 400 001
CIN: L74120MH1985PLC035308
Tel: 91 22 6651 0200 Fax: 91 22 2207 2046
Website: www.godrejproperties.com

NOTICE

Pursuant to Clause 49 of the Listing Agreement with the stock exchanges, the following information is furnished about the Directors proposed to be re-appointed/appointed.

Brief Resume of the Directors

Name of the Director	Adil B. Godrej	Nadir B. Godrej	Mr. Amit Choudhury	Mr. Kekli B Dadiseth	Mrs. Lalita D. Gupta	Dr. Pritam Singh	Mr. Amitava Mukherjee	Mr. S. Narayan	Mr. Pranay Vakil
Particulars									
Age	72	62	71	68	65	72	60	70	67
Nationality	Indian	Indian	Indian	Indian	Indian	Indian	Indian	Indian	Indian
Date of Appointment	April 25, 1990	April 25, 1990	May 1, 2003	January 16, 2008	January 16, 2008	January 16, 2008	May 17, 2010	October 25, 2008	January 16, 2008
Shares held in the Company	NIL	3986430	3850	NIL	14000	2,000	NIL	NIL	20,412
Qualification	Mr. Godrej holds a Bachelor and Master's degree from the Massachusetts Institute of Technology, U.S.A	Mr. Nadir B. Godrej holds a Bachelor of Science degree in chemical engineering from the Massachusetts Institute of Technology, U.S.A, a Master of Science degree in chemical engineering from Stanford University, U.S.A, and a Master of Business Administration degree from Harvard Business School, USA.	Mr. Amit B. Choudhury holds a Master's degree in Economics and Masters in Management Studies from Jamnalal Bajaj Institute of Management Studies	Mr. Kekli B. Dadiseth is a Fellow of the Institute of Chartered Accountants of England and Wales	Mrs. Lalita D. Gupta holds a Bachelor's degree in economics and a Master's degree in management studies	Dr. Pritam Singh holds a Master's degree in commerce from Benares Hindu University, a Master's degree in business administration from Indiana University, Bloomington, Indiana, U.S.A and a Ph.D from Benares Hindu University	Mr. Amitava Mukherjee holds a Master's Degree in Management from Asian Institute of Management, Manila, a Master's Degree in Business Economics from Delhi School of Economics, New Delhi, Post Graduation in Foreign Trade from Indian Institute of Foreign Trade, New Delhi.	Mr. S. Narayan holds Master's degree in business administration from the University of South Australia, M.Phil in economics from the University of Cambridge and Ph.D from the Indian Institute of Technology (New Delhi)	Mr. Pranay D. Vakil is a Chartered Accountant and a law graduate
Expertise in specific functional area	Engineering and Management	Engineering and Management	General Management with emphasis on Marketing & Real Estate	General & Financial Management	Banker & Financial Expert	Management	Investment Banking	Retired IAS Officer	Qualified Real Estate Professional
Directorships held in other companies	1. Godrej Consumer Products Limited 2. Godrej Industries Limited 3. Vora Soaps Ltd. 4. Godrej & Boyce Mfg. Co. Ltd. 5. Godrej Agroviet Ltd. 6. Godrej Investments Private Ltd. 7. Godrej Consumer Products (UK) Ltd. 8. Godrej Global Mid East FZE 9. Kinky Group Pty Ltd. 10. Godrej Nigeria Ltd. 11. PT Megasari Makmur 12. PT Ekamas Sarijaya 13. PT Sarico Indah 14. PT Indomas 15. PT Intrisari Raya	1. Godrej Industries Ltd. 2. Godrej Agroviet Ltd. 3. Godrej Tyson Foods Ltd. 5. Godrej & Boyce Mfg. Co. Ltd. 6. Godrej Consumer Products Limited 7. Mahindra & Mahindra Limited 10. Tata Teleservices (Maharashtra) Limited 12. The Indian Hotels Company Limited 13. Godrej International Limited 14. Godrej Global Mid East FZE	1. Vora Soaps Limited 2. Godrej Agroviet Limited 3. Wadala Commodities Limited 4. Godrej Industries Limited	1. Britannia Industries Limited 2. ICICI Prudential Life Insurance Company Limited 3. Pranal Enterprises Limited 4. Omnicom India Marketing Advisory Services Private Limited 5. ICICI Prudential Trust Limited 6. Siemens Limited 7. The Indian Hotels Company Limited 8. JM Financial Limited 9. JM Financial Services Ltd.	1. ICICI Venture Funds Management Company Limited 2. Bharat Forge Limited 3. Kiroskar Brothers Limited 4. Sesa Sterile Limited 5. Alstom	1. Hero MotoCorp Limited 2. Parsvanath Developers Limited	1. Sakssoft Ltd. 2. Aquatar Securities Pvt. Ltd. 3. Dystar Global Private Limited	1. Apollo Tyres Limited 2. Dabur India Limited 3. Seshasayee Paper and Board Limited 4. IIFL Holdings Limited 5. Artemis Medicare Services Limited 6. Yogya Systems Private Limited 7. Castlewood Trading Private Limited	1. Praron Consultancy (India) Private Limited 2. Rutley Real Estate Investment Management (India) Private Limited 3. Deepak Fertilisers and Petrochemicals Corporation Limited 4. Ustra Breco Ltd. Onward 5. Technologies Ltd.

Pursuant to Clause 49 of the Listing Agreement with the stock exchanges, the following information is furnished about the Directors proposed to be re-appointed/appointed.

Brief Resume of the Directors

Name of the Director		Mr. S. Narayan	Mr. Pranay Vakil						
Particulars									
Directors held in other companies		Mr. Amlava Mukherjee	Dr. Pritam Singh	Mrs. Lalita D. Gupte	Mr. Keki B Dadiseth	Mr. Amit Choudhury	Nadir B. Godrej	Adil B. Godrej	16. Laboratoria Cuenca S.A. 17. Isprova Technology Limited 18. Godrej Consumer UK Limited 19. Godrej South Africa Limited 20. Consell S.A. 21. Argencos S.A. 22. Panamar Producciones Sri Argentina 23. Godrej International Ltd. 24. Godrej Consumer Products Mauritius Ltd. 25. Godrej Kinky Holdings Ltd. 26. Godrej Consumer Products Holding (Mauritius) Ltd. 27. Godrej Consumer Products Dutch Cooperative U.A. 28. Godrej Consumer Products (Netherlands) B.V. 29. Godrej Consumer Holdings (Netherlands) B.V. 30. Godrej Indonesia Netherlands Holding B.V. 31. Godrej Argentina Dutch Cooperative U.A. 32. Godrej Netherlands Argentina Holding B.V. 33. Godrej Netherlands Argentina B.V. 34. DGH Mauritius Private Limited 35. Godrej Consumer Products (UK) Holdings Limited 36. Godrej Mauritius Africa Holdings Limited 37. Godrej Weave Holdings Limited 38. Godrej South Africa Pty Limited 39. Indian School of Business
							15. ACI Godrej Agrovet Private Limited, Bangladesh 16. Isprava Technologies Limited 17. Godrej Consumer Product (UK) Limited 18. Godrej South Africa Limited 19. Godrej Nigeria Limited 20. Poultry Processors' Association of India 21. Poultry Processors'		

NOTICE

Pursuant to Clause 49 of the Listing Agreement with the stock exchanges, the following information is furnished about the Directors proposed to be re-appointed/appointed.

Brief Resume of the Directors

Name of the Director		Adi B. Godrej	Nadir B. Godrej	Mr. Amit Choudhury	Mr. Keki B Dadiseth	Mrs. Lalita D. Gupte	Dr. Pritam Singh	Mr. Amitava Mukherjee	Mr. S. Narayan	Mr. Pranay Vakil
Particulars										
Chairman/Membership in other Committees of the Board	Member of Stake holders relationship Committee of Godrej Consumer Products Limited, Chairman of Stake holders relationship of Godrej Industries Limited Chairman of Stake holders relationship of Godrej Household Products Limited Committee of Godrej Properties Limited		Chairman of Stake holders relationship Committee of Godrej Consumers Products Limited Member of Audit Committee of Godrej Household Products Limited Member of Audit Committee of Mahindra & Mahindra Limited	Member of Audit & Shareholders' Grievance Committee of Wadala Commodities Limited Member of Audit and Nomination and Remuneration Committee of Godrej Industries Limited.	Member of Audit Committee of Britannia Industries Limited Chairman of Audit Committee and Member of State Transfer Committee of ICICI Prudential Life Insurance Co. Limited Member of Audit Committee of Siemens Ltd. Chairman of Audit Committee of The Indian Hotels Company Limited Member of Audit & Risk Committee of Piramal Enterprises Ltd.	Member of the Audit Committee of Alstom Shareholders'/ Investors' Grievances Committee of Bharat Forge Limited Chairperson of Audit Committee and member of Stakeholders Relationship Committee of Sesa Sterile Limited Member of Corporate Social Responsible Committee and Nomination & Remuneration Committee of Kirloskar Brothers Ltd. Chairperson of Compensation & Governance Committee and Employee Co – Invest Committee and Member of Funds Committee and CSR Committee of ICICI Venture Funds Management Co. Ltd .	He is a Member of Audit Committee of Hero MotoCorp Limited. Chairman of the Investor Grievance Committee of Hero MotoCorp Limited	He is a Member of the Audit Committee of Saksat Limited and Dystar Global Private Ltd.	Member of the Audit Committee of Apollo Tyres Limited, Dabur India Limited and Seshasayee Papers and Board Limited	None
Inter-se relationship with other directors	Spouse of Mrs. Parneshwar A. Godrej, Father of Mr. Pirojsha Godrej, Brother of Mr. Nadir B. Godrej		Brother of Mr. Adi Godrej	None	None	None	None	None	None	None

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

Email: secretarial@godrejproperties.com website: www.godrejproperties.com CIN: L74120MH1985PLC035308

Form No. MGT-11

Folio No./ Client ID	
Name of the Members Registered Address	

I/We, being the member (s) of shares of the above named company, hereby appoint:-

- Name _____
Address _____
E- Mail ID _____ Or failing him _____
- Name _____
Address _____
E- Mail ID _____ Or failing him _____
- Name _____
Address _____
E- Mail ID _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of the Company, to be held on Saturday, August 2, 2014 at 2:30 p.m. at Y. B. Chavan Pratishthan, Gen. Jagannathrao Bhonsle Marg, Nariman Point, Mumbai 400 021 and at any adjournment(s) thereof in respect of such resolutions as are indicated below:

Sr. No	Resolutions	Vote		
		For	Against	Abstain
ORDINARY BUSINESS				
1.	Adoption of the financial statements and reports thereon for the year ended March 31, 2014			
2.	Declaration of the Dividend for the financial year 2013-2014			
3.	Re-appointment of Mr. Adi B. Godrej as Director			
4.	Re-appointment of Mr. Nadir B. Godrej as Director			
5.	Appointment of M/s Kalyaniwalla & Mistry as Auditors of the Company;			
SPECIAL BUSINESS				
6.	Revision in Remuneration of Mr. K. T. Jithendran as Executive Director			
7.	Revision in Remuneration of Mr. Pirojsha Godrej as MD & CEO			
8.	Revision in Remuneration of Mr. V. Srinivasan as Executive Director			
9.	Appointment of Mr. Keki B. Dadiseth as an Independent Director			
10.	Appointment of Mrs. Lalita D. Gupte as an Independent Director			
11.	Appointment of Mr. Amit B. Choudhury as an Independent Director			
12.	Appointment of Mr. S. Narayan as an Independent Director			
13.	Appointment of Dr. Pritam Singh as an Independent Director			
14.	Appointment of Mr. Amitava Mukherjee as an Independent Director			
15.	Appointment of Mr. Pranay Vakil as an Independent Director			
16.	Amendment of Article 143 of the Articles of Association of the Company			

Signed this _____ day of _____ 2014

Signature of the Member

Affix
Revenue
Stamp

Signature of first the Proxy Holder

Signature of second the Proxy Holder

Signature of third the Proxy Holder

Notes:

- This form, in order to be effective, should be duly stamped, signed, completed and deposited at the Registered office of the Company, not less than 48 hours before the meeting.
- It is optional to indicate your preference. If you leave the for, against or abstained column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he / she may deem appropriate.
- Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting right, than such proxy shall not act as a proxy for any other person or Member.

Godrej Properties Limited

Registered Office:

Godrej Properties Limited,
Godrej Bhavan, 4th Floor, 4A, Home Street,
Fort, Mumbai 400 001, India.
Phone: + 91 - 22 - 6651 0200
Fax: + 91 - 22 - 2207 2044

AHMEDABAD 2 nd Floor, RUDRAPATH Near Rajpath Club S. G. Highway Ahmedabad - 380059.	BENGALURU No.80, Hulkul Ascent, 2nd Cross, Lavelle Road, Bengaluru 560001.	CHANDIGARH SCO - 153-155, First Floor, Madhya Marg, Sector-9C Chandigarh - 160009.	CHENNAI No. 70, Lancor West Minstar, R. K. Salai, Mylapoor, Chennai - 600004.	GURGAON 3rd Floor, UM House Tower A, Plot no.35, Sector – 44, Gurgaon – 122002 Haryana.	HYDERABAD 302, Sapphire Square, MCH No.6-3-885/7, Rajiv Gandhi Chowk, Somajiguda, Hyderabad - 500082.	KOLKATA No. 23, The Legacy 25A, Shakeshpore Sarani, Kolkata - 700017.	PUNE Godrej Eternia C, Office A, 10 th Floor, 3 Old Mumbai Pune Highway, Wakdevadi Shivaji Nagar, Pune - 411005
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Godrej Garden City
Behind Nirma University,
Off Sarkhej Gandhinagar Highway,
Jagatpur, Ahmedabad - 382 481.

Godrej E-City,
Doddathogur, Near Crowne Plaza,
Electronic City,
Bengaluru 560100

Godrej Gold County,
F.K. Farms, Chikkabidarakallu Village,
Tumkur Road,
Next to Parle-G Factory,
Bengaluru - 560 073

Godrej Platinum,
International Airport Road,
Hebbal, Bengaluru - 560024

Godrej United,
Khata No.30, Survey Number 28/2,
Whitefield Main Road,
Near Phoenix Market City, Hoodi Village,
Krishnarajapuram Hobli,
Mahadevapura P.O.,
Bengaluru - 560048.

Godrej Woodsman Estate
Hebbal, Bellary Road,
Bengaluru - 560 024.

Godrej Palm Grove
Chembarabakam Village,
Poonamalee Taluk,
Tiruvallur District,
Chennai, Tamilnadu.

Godrej Eternia
Plot No. 70,
Industrial area, Phase I,
Chandigarh - 160002.

Godrej Frontier
Sector 80,
Gurgaon, Haryana

Godrej Oasis
3rd Floor, UM House Tower A,
Plot no.35, Sector - 44,
Gurgaon - 122002

Godrej Summit,
Sector-104,
Dwarka Expressway,
Gurgaon, Haryana

Godrej Genesis
Simoco Project, Plot No. 11,
Block EP & GP,
Sector - V, Salt Lake City,
Kolkata - 700 091.

Godrej Prakriti,
187 F/1, B.T. Road,
Sodepur, (Near Sukchar Girja),
Kolkata - 700115

Godrej Waterside
23, The Legacy,
25 A Shakespeare Sarani,
Kolkata -700017

Godrej Alpine
Faya Enclave,
Airport Road, Yeyyadi,
Mangalore - 575008

Godrej BKC,
Plot C-68, G-Block,
Bandra Kurla Complex,
Bandra (East),
Mumbai-400051

Godrej Coliseum
Sion Kurla Road,
Eastern Express Highway,
Chunabhatti,
Mumbai - 400 022.

Godrej Central,
Shell Colony,
Chembur,
Mumbai 400 071

Godrej Edenwoods
Gladys Alwares Marg,
Pokhran Road No. 2,
Thane - 400 610.

Godrej Hill
Barave Village,
Behind Birla College,
Murbad Road,
Kalyan (West) - 421 301.

Planet Godrej
30, Keshavrao Khadye Marg,
Sant Gadge Maharaj Chowk,
Mumbai - 400 011.

Godrej Platinum
At Godrej Garden Enclave,
Pirojshanagar, Vikhroli (East),
Mumbai - 400 079,

Godrej Serenity,
Deonar Village Rd,
Off Sion Trombay Road
(V. N. Purav Marg),
Mumbai - 400 088

The Trees
Godrej Industries Ltd.
3rd Floor Factory Building,
Pirojsha Nagar,
Eastern Express Highway,
Vikhroli (East),
Mumbai - 400 079.

Godrej Anandam,
Model Mill Compound,
Ganeshpeth,
Nagpur - 440018


Godrej Eternia
3 Old Mumbai Pune Highway,
Wakdevadi
Shivaji Nagar,
Pune - 411 005.

Godrej Horizon,
S No 2 (p) & 3 (p)
Behind Corinthians Club
NIBM annexe Undri,
Pune 411048

FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchange

1.	Name of the Company	Godrej Properties Limited
2.	Annual financial statements for the year ended	March 31, 2014
3.	Type of Audit observation	Unqualified
4.	Frequency of observation	Not Applicable

<p>For Godrej Properties Limited</p>  <p>Rajendra Khetawat Chief Financial Officer</p>	<p>For Kalyaniwalla & Mistry Firm Registration Number : 104607W</p>  <p>Ermin K. Irani Partner Membership No. 35646</p>
<p>For Godrej Properties Limited</p>  <p>Pirojsha Godrej Managing Director & CEO</p>	<p>For Godrej Properties Limited</p>  <p>Keki B. Dadiseth Chairman of the Audit Committee</p>