Godrej | PROPERTIES

ANNUAL REPORT
2016 - 17




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Godrej
PROPERTIES

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This annual report is printed on **Eco-Friendly** Paper

VISION



We aspire to be the nation's leading and most trusted real estate company. We shall deliver superior value to all stakeholders through extraordinary and imaginative spaces and service created out of deep customer focus and insight.



THE YEAR THAT WAS

FINANCIAL HIGHLIGHTS

- GPL's total income decreased by 24% and stood at INR 1,733 crore
- EBITDA increased by 42% to INR 401 crore
- Net profit increased by 30% to INR 207 crore
- An important contributor to the strong profit growth has been our flagship project 'The Trees' which attained revenue recognition much ahead of schedule

SALES HIGHLIGHTS

GPL registered booking volume of 3.1 million sq. ft. and booking value of INR 2,020 Cr in a weak real estate market. Below are the highlights:

Godrej Golf Links, Noida

- First GPL project in Noida
- Sold over 6 lakh sq. ft. of villas with a booking value in excess of INR 300 crore in a single day
- Sold more than 1 million sq. ft. with a booking value of INR 563 crore despite weak market conditions
- Serves as a reflection of GPL's brand strength, sales capability and ability to successfully attract customers across the country's leading real estate markets

Godrej Greens, Pune

- Witnessed an overwhelming customer response despite being launched immediately after the government's demonetization announcement
- Sold 420,088 sq. ft. with a booking value of INR 187 crore in FY17

CONTINUED SUCCESS IN BUSINESS DEVELOPMENT

- FY17 has been a strong year for business development
- Added 7 new projects with a saleable area of 18 million sq. ft.

STRONG FOCUS ON EXECUTION

- Delivered 4.55 million square feet in FY17, which includes 3.27 million square feet of residential and 1.28 million square feet of commercial space across four cities

GLOBAL RECOGNITION FOR SUSTAINABILITY INITIATIVES

- GPL was ranked 2nd in Asia & 5th globally by GRESB (Global Real Estate Sustainability Benchmark) - An industry driven organization which assesses Environmental, Social and Governance (ESG) performance of real estate assets globally. GRESB is widely recognized as the global standard for portfolio level ESG reporting and benchmarking in the real asset sector.
- Godrej One office premises (Commercial Interiors) received USGBC LEED Platinum Rating. This is one of the first such certifications in the country

OTHER HIGHLIGHTS

- GPL opened its second international representative office in Singapore
- 60 awards received in FY17



Godrej One, Vikhroli

Actual image

COMPANY INFORMATION

Mr. Adi B. Godrej
Chairman Emeritus

DIRECTORS:

Mr. Pirojsha Godrej
Executive Chairman

Mr. Mohit Malhotra
Managing Director & Chief Executive Officer

Mr. Jamshyd N. Godrej
Director

Mr. Nadir B. Godrej
Director

Mr. Amit B. Choudhury
Director

Mr. Keki B. Dadiseth
Director

Mrs. Lalita D. Gupte
Director

Mr. Amitava Mukherjee
Director

Mr. S. Narayan
Director

Dr. Pritam Singh
Director

Mr. Pranay Vakil
Director

REGISTERED OFFICE

Godrej One, 5th Floor,
Pirojshanagar, Eastern Express
Highway, Vikhroli (East),
Mumbai – 400 079
Phone: +91-22-6169 8500
Website: www.godrejproperties.com
CIN: L74120MH1985PLC035308

REGISTRAR & TRANSFER AGENT

Karvy Computershare Private Limited
"Karvy Selenium Tower B",
Plot No. 31 & 32, Gachibowli,
Financial District, Nanakramguda,
Serilingampally,
Hyderabad – 500 032, Telangana

STATUTORY AUDITORS

Kalyaniwalla & Mistry LLP
Chartered Accountants
Kalpataru Heritage
127, Mahatma Gandhi Road
Mumbai - 400 001

BANKERS

State Bank of India
IDBI Bank Ltd.
HDFC Bank Ltd.

COMPANY SECRETARY & CHIEF LEGAL OFFICER

Mr. Surender Varma

Godrej BKC, Mumbai



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AWARDS & RECOGNITION

Awards received by Godrej Properties in FY2017

Best for Responsibilities of Management & the Board of Directors in India	• Asiamoney's Corporate Governance Poll
Developer of the Year – Residential	• ABP News Real Estate Awards 2017
IFC Mint Award in Construction, Real Estate & Steel	• 5th Porter Prize Awards
GRESB (Global Real Estate Sustainability Benchmark) - Ranked 2nd in Asia & 5th globally by GRESB (Global Real Estate Sustainability Benchmark)	• An industry-driven organization which assesses Environmental, Social and Governance (ESG) performance of real estate assets globally
Developer of the Year	• Golden Brick Awards 2016
Developer of the Year – Residential	• Realty Plus Excellence Awards (West)
Premium Real Estate Company of the Year	• Corporate LiveWire - Innovation & Excellence Awards 2017
Iconic Brand Award - Real Estate	• GLOBE Platinum Awards 2016
India's Most Admired Brand 2016	• White Page International
India's Most Reputed Real Estate Brands 2016	• Ranked 2nd in India and 1st in Mumbai in a report published by Bluebytes in association with TRA research
OSHAI Special Category Safety Award 2016 (Innovations in HSE Implementation)	• OSHAI Special Category Safety Award 2016 (Innovations in HSE Implementation)
EHS Construction Safety Award	• World Quality Council
Digital Search category	• Abby Awards 2016
Market Leadership Award	• Golden Globe Tigers Award 2016
Diamond Sabre Asia Pacific Award	• Company of the Year - Excellence in Reputation Management and PR
Change Communications for the Year 2017	• Chanakya Awards held by PRCI

AWARDS & RECOGNITION

Project & Individual Awards received in FY2017

Godrej One, Mumbai	• Best Commercial project of the year 2016 - Construction Times Awards • Commercial Property of the Year within MMR Region - Navabharat Realty Business Achievers Award 2016 • Outstanding Contribution in Real Estate (Commercial Project) - EPC World awards • Special Jury Award - Outstanding Concrete Structures 2016
The Trees, Mumbai	• Best Marketing Campaign of the Year - Golden Brick Awards 2016 • PR Gold Award - Trees PR campaign - Asia Pacific Customer Engagement Awards • Best Real Estate Marketing Campaign India 2016 - Global Brand Magazine Awards 2016 • The Legacy Silos at The Imagine Studio - In-Book award at the 2016 Kyoorius Design Awards in the category Temporary/Permanent Installations
Godrej BKC, Mumbai	• Best Commercial Project - 11th CNBC-AWAAZ Real Estate Awards 2016-17 • Best Completed Project - 9th CIDC Vishwakarma Awards
Godrej Golf Links, NCR	• Innovative Marketing Concept of the Year - Innovative launch campaign at the Realty Plus Excellence Awards (NORTH) 2016
Godrej Emerald, Thane	• Marketing Campaign of the Year - Global Marketing Excellence Awards by CMO Asia • Gold in the Digital Marketing category- IAMAI Awards 2016
Godrej Greens, Pune	• Innovative Real Estate Marketing Campaign of the Year - ABP News Real Estate Awards 2017 • Best Marketing Campaign of the Year (Real Estate) - Making of Developed India (MODI) Awards 2017 • Bronze in the Digital Content Marketing category - IAMAI Awards 2016
Godrej Garden City, Ahmedabad	• Excellence in Green Township Development - Ahmedabad Entrepreneur and Excellence Awards 2017 • British Safety Council - International Safety Awards
Godrej Palm Grove, Chennai	• Best Environment Friendly Apartment Project of the Year - Chennai West - Silicon India Real Estate Awards 2016 • Best completed project award - 9th CIDC Vishwakarma Awards

AWARDS & RECOGNITION

Project & Individual Awards received in FY2017

Godrej Platinum, Bengaluru	• Best Ultra Luxury Apartment Project Of The Year - 5th Annual Silicon India Bangalore Real Estate Awards 2016
Godrej Summit, Gurgaon	• Gold Award - 15th Annual Greentech Safety Awards
Godrej Icon, Gurgaon	• Gold Award - 15th Annual Greentech Safety Awards
Godrej Central, Mumbai	• International Safety Award - The British Safety Council
Godrej Avenues, Bengaluru	• Best Product Launch - National Awards for Marketing Excellence
Godrej Horizon, Pune	• Certificate of Merit - Zero Accident Frequency Rate in the Maharashtra Safety Awards Competition 2015
Godrej Aria, NCR | Godrej 101, NCR | Godrej Infinity, Pune | The Trees, Mumbai | Godrej Central, Mumbai | Godrej Azure, Chennai	• Best Construction Safety Health and Environment Award - 9th CIDC Vishwakarma Awards
Adi Godrej	• Lifetime Achievement Award at the 11th CNBC-AWAAZ Real Estate Awards 2016-17 • Golden Peacock Lifetime Achievement Award for Ethical Leadership • Sir Jehangir Ghandy Medal for Social and Industrial Peace
Pirojsha Godrej	• Young Leader - Global Leadership for Business Excellence 2016 Awards • CEO of the Year - APAC Insider • IGBC Green Champion Award
Ruhie Pande	• Most Influential HR Leaders in India - CHRO Asia • Women Leadership Achievement Award - 4th World Women Leadership Congress & Award (WWLCA)
Ajay Pawar	• PR Professional of the Year Gold - Asia Pacific Customer Engagement Awards • PR Professional of the Year - 11th Indy's Awards by 94.3 MyFM
Vishal Gonsalves	• The Digital Marketer of the Year 2016 - Real Estate category by the Internet And Mobile Association of India



Godrej Platinum, Bengaluru

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MESSAGE FROM THE EXECUTIVE CHAIRMAN



Pirojsha Godrej
Executive Chairman,
Godrej Properties

In the past two years, we were the largest publicly listed developer in India by booking value. While we are proud of this achievement, further increasing operational scale and efficiency is a critical goal for your company. Our goal is to consistently be amongst the top three developers by booking value in each city we operate in, but especially in Mumbai, NCR, Bangalore, and Pune.

Dear Shareholders,

I'd like to start by thanking our outgoing Chairman, my father Adi Godrej. His foresight in starting Godrej Properties, and his constant support and guidance, have played an essential role in making your company what it is today. We look forward to his continued guidance in his capacity as Chairman Emeritus.

Your company is at a very exciting juncture. India's economy, with the benefits of rapid GDP growth, favourable demographics, and transformational urbanization, is rife with opportunity. And within this context, we believe the Indian real estate sector is likely to be the fastest growing major sector in the country over the next decade. A recent Morgan Stanley report predicted a 16% compounded annual growth rate in the Indian real estate sector over the next decade; the analysis drew a comparison between China in 2004 and India in 2015, when on many important economic indicators the two country's economies were very similar. In China, the value of real estate sold between 2004 and 2015 has grown at 22% annually and has created a property sector worth $1.3 trillion in 2015. Compare this to the estimated 2015 size of $105 billion for the Indian property sector, which Morgan Stanley estimates will exceed $500 billion over the next decade. Your company's presence in what might be the fastest growing major sector in India, in what is likely to be the fastest growing economy in the world over the next decade, places the scale of our opportunity in context.

While the opportunity is immense, the competition from our capable peers, both domestic and international, will be strong. To emerge as a clear leader in this sector, we will have to deliver excellence across various aspects of our operations. Three fundamental areas of focus will be customer centricity, employee engagement, and operational scale and efficiency.

Real estate customers in India have struggled in recent decades. A lack of adequate regulatory oversight has allowed many developers to shortchange their customers while a challenging government policy environment has meant that even well intentioned developers have often struggled to deliver up to their customers' expectations. There are important signs of change, including the Real Estate Regulation and development Act (RERA), which promises to bring sweeping reforms to the sector. Factors like good governance, on-time delivery, and high-quality construction will increasingly become hygiene factors in the Indian real estate sector. Companies that are unable or unwilling to consistently deliver against these factors will become increasingly irrelevant. The leaders in the sector will have to combine consistent excellence in those areas with an ability to offer their customers differentiated product design and outstanding service experiences. The country's leading real estate developers will also have to be able to deliver this customer experience in all parts of the country because the leaders a decade from now will be national, not regional, players. This is not an easy task, especially in

a sector as dynamic and unpredictable as real estate. Your company will endeavor to delight its customers. We will do this by constantly learning more about them, pushing ourselves to anticipate their requirements, and insisting on a culture that puts our customers interests above other considerations.

We fundamentally believe our competitive advantage lies in being an employer of choice; we want to attract the best talent, and empower and motivate that talent. In the real estate sector, where many companies do not offer high quality work environments, we have a great opportunity to differentiate ourselves. While Godrej Properties has been rated the sector's best employer across several studies, we have a lot of work to do to ensure we become one of the country's most exciting workplaces across sectors. To this end, a core tenet of our talent strategy is diversity and inclusion. We have improved our gender diversity ratio from 19% women employees five years ago to 27% at the end of FY17. We've adopted openly progressive and inclusive diversity policies that welcome women and LGBT talent into our organization. We are focused on fostering excellence and commitment, but also on rewarding our team through competitive remuneration and flexible work opportunities including through flexi-time, part-time, and work-from-home options. We also focus deeply on ensuring disproportionate rewards for our top performers and exciting career growth opportunities for all our employees.

In the past two years, we were the largest publicly listed developer in India by booking value. While we are proud of this achievement, further increasing operational scale and efficiency is a critical goal for your company. Our goal is to consistently be amongst the top three developers by booking value in each city we operate in, but especially in Mumbai, NCR, Bangalore, and Pune. These four markets represent half of India's real estate market by volume, and nearly two-thirds of India's real estate market by value. As one of the only developers with a strong presence across each of these markets, we believe achieving this goal will make us India's largest real estate developer by booking value. Achieving our goal of consistent market leadership will offer numerous advantages, but it will only bring significant value creation if it is coupled with strong efficiency metrics. Given our strong brand and unique business model (i.e., partnering with landowners for our developments rather than acquiring land on an outright and capital intensive basis), we believe we must generate returns much above industry averages. Our medium term goal is to generate a return on equity of above 20%. The combination of consistently being the country's leading



Godrej One, Vikhroli

Actual image



developer by booking value, through leadership in each of the four largest markets, and also delivering a 20% return on equity can generate a powerful and self-sustaining value creation engine for your company.

Achieving these twin goals is, of course, easier said than done. No developer in India, including Godrej Properties, has yet been able to achieve either of the two goals. Nevertheless, we do believe these goals, while ambitious, are within reach and we are actively taking the steps required to reach them. We've created strong and empowered regional leadership teams who have full accountability for their own P&L and are supported by functional centers of excellence in our head office. We believe this is a critical step to ensuring a scalable and agile presence with quick and responsive decision-making. We have also designed our compensation plans to align our teams' rewards tightly with their own performance.

With rapid consolidation underway in the sector - which will only accelerate with the enforcement of RERA - we believe there is opportunity for more impactful business development. Our business development strategy is focused on entering new micro-markets within our target cities and prioritizing projects that can be turned around quickly. In FY17, we added seven new projects with a saleable area of 18 million square feet. To ensure we are able to effectively monetize these new projects, we will continue building our sales distribution capabilities. Adding to our existing presence in Dubai, we opened our second international representative office in Singapore in FY17. Our Greater Noida project is a prime example of what this trifecta of objectives can produce. With successful business development in a large new micro market, a quick turnaround to launch, and strong sales reach and capabilities, we delivered over one million sq. ft. of sales in this project in FY17, despite weak market conditions.

We are frequently asked about our ability to ensure our execution and project delivery keep pace with the scale of our growth. We believe our scale gives us more, not less, control over the quality of our operations. We have built the necessary team capabilities, processes, and systems to ensure delivery against time, quality, and budget goals. This is not to say that execution in this industry isn't challenging, but construction execution is unlikely to be a major constraint to our growth, because we understand how important consistent delivery is, and we've mapped our execution to benefit from scale, not suffer from it. The results support this contention: we delivered 4.55 million sq. ft. of real estate across the country in FY17 and have now delivered over 15 million sq. ft. in the last four years thereby demonstrating that our execution is keeping pace with our sales scale-up.

One project that we are especially excited about is our large project in Vikhroli. The scale of land owned by our Group combined with its outstanding location, connectedness to all parts of the city, and proximity to vast open green spaces combine to make this India's most exciting real estate project. Our early steps towards seizing this opportunity through the development of our flagship project, The Trees, have progressed well. We first launched residences in the project in FY16 and in FY17 we achieved revenue recognition for the project. While clearly beneficial from a financial perspective as demonstrated by the project's disproportionate contribution to the 30% net profit growth GPL delivered in FY17, what really excites us about this project is the opportunity to have a meaningful impact on the quality of urbanization at the city level. We will leave no stone unturned to ensure that Vikhroli is established as the country's most exciting modern urban location. We are confident that if this aspiration is met, the value creation for your company will be tremendous.

We care about having a positive impact on the world around us, and as a result, we choose to focus on sustainable development and safety. On sustainability, we've made a lot of progress in recent years. In FY17, GPL was ranked 2nd in Asia and 5th globally by the Global Real Estate Sustainability Benchmark (GRESB), which is an industry-driven organization that assesses Environmental, Social, and Governance (ESG) performance of real estate companies globally. GRESB is widely recognized as the global standard for portfolio-level sustainability and governance reporting in the real asset sector. We aim to be the leaders in driving higher standards around safety at construction sites in India. We have invested in training, and we employ dedicated safety managers who have the authority to stop all work at site if they deem conditions to be unsafe. In FY17, we received 13 recognitions for our safety practices from a variety of third party organizations, including the British Safety Council and the Construction Industry Development Council.

Don't let the current chatter fool you: the long-term outlook for the Indian real estate sector is bright. Urbanization, demographic changes, and improving affordability will drive growth over the next decade. Nearly 5 million Indians move into urban areas every year. Families are increasingly choosing to live in nuclear family units with dual incomes, thereby increasing each family's disposable income, and the demand for housing. Already, in the past decade, these demographic changes, along with others, have pushed the average age of a first time homebuyer in India down by more than ten years to about thirty. In the coming decade, GDP growth, and the resulting income growth, combined with an improving mortgage-to-GDP ratio and lower interest rates, will make property prices more affordable to a larger number of Indians. A cyclical downturn combined with demonetization and the implementation of the Real Estate Regulation Act has created short-term uncertainty in the sector. However these same factors will lead to consolidation and improved governance in the sector, which in turn will drive improved consumer confidence. The combination of this improved consumer confidence with far improved affordability that is the result of rising incomes, stagnant prices, and reduced interest rates will propel the sector in a very positive direction over the next several years. The government has put in place many policy reforms to encourage real estate development, especially in the affordable housing space, which will lend further impetus to the growth of the sector. We expect 2017 to be a transition year but the years ahead are likely to be very exciting ones for real estate development in India. Our brand, national presence, demonstrated track record, and capabilities put us in a strong position to remain on a high growth trajectory.

My colleague, Mohit Malhotra, who in April took the reins as CEO of your company, has several traits that make him the ideal CEO for the company right now. Mohit is driven and ambitious; his work in developing GPL's business development capabilities and in driving our performance in NCR are two examples of Mohit's ability to think big and execute well. He knows how to combine high-level strategic imperatives and detailed ground-level execution in a holistic manner; this is a rare skill and one that I believe will help him tremendously in taking Godrej Properties forward. I look forward to continuing to work closely with Mohit and the incredibly talented GPL team as we embark on the next leg of this exciting journey.

Our team at Godrej Properties is excited about the future and I am grateful to them for their tireless efforts and strong results. Thanks to our customers, joint venture partners, and business associates for their support. Finally, a big thank you to all our shareholders for your continued belief in Godrej Properties.

Best Wishes,

Pirojsha Godrej
Executive Chairman,
Godrej Properties

MANAGEMENT DISCUSSION & ANALYSIS

GLOBAL ECONOMY

According to The World Economic Outlook (WEO) update, economic activity is projected to pick up pace in 2017 after a subdued 2016. However, there is a wide dispersion of possible outcomes given the uncertainty surrounding the policy stance of the U.S. administration and its global ramifications.

Global output growth is estimated at about 3 percent in 2016. This stable average growth rate, however, masks divergent developments in different country groups. There has been a stronger-than-expected pickup in growth in advanced economies matched by an unexpected slowdown in some emerging market economies.

Among advanced economies, activity rebounded strongly in the United States after a weak first half. It is expected to get a further lift from stimulus measures and projected to grow at 2.3% for 2017. The International Monetary Fund (IMF) has upgraded its UK growth forecast after the Brexit vote and it expects the British economy to expand by 1.5 per cent for 2017 from an earlier projection of 1.1 per cent – the single biggest upgrade for any major economy. Growth projections for 2017 have also been revised upward for Germany, Japan and Spain mostly on account of a stronger than expected performance during the latter part of 2016.

The primary factor underlying the strengthening global outlook for 2017–18 is the projected pickup in emerging market and developing economies (EMDEs') growth. The WEO expects gradual normalization of conditions in a number of large economies that are currently experiencing macroeconomic strains. EMDE growth is currently estimated at 4.1 percent in 2016, and is projected to reach 4.5 percent for 2017. Global growth could accelerate more strongly if policy stimulus turns out to be larger than currently projected in the United States or China. Notable negative risks to growth include a possible shift towards inward-looking policy platforms and protectionism, a sharper than expected tightening in global financial conditions, increased geopolitical tensions, and a more severe slowdown in China.



INDIAN ECONOMY

Per the World Bank report, India's economic growth is expected to see an uptick at 7.2% in FY2017-18. It is expected to further accelerate to 7.5% in 2018-19 underpinned by a recovery in private investments, which are expected to be crowded in by the recent increase in public capex and an improvement in the investment climate. The implementation of the GST could prove to be a significant "upside risk" to economic activity in 2017-18.

According to the Central Statistics office (CSO), the Indian economy is estimated to grow at 7.1% in FY17. Consumer inflation moderated to 4.5% in FY17 and is likely to remain below 5% in FY18. The decline in global oil prices that began in late 2014 has improved the external current account and fiscal positions, and helped lower inflation. In addition, continued fiscal consolidation, by reducing government deficits and debt accumulation, and an anti-inflationary monetary policy stance have helped to cement macroeconomic stability. The Goods and Services tax (GST) has been identified as one of the most important tax reforms post-independence. It will enhance the efficiency of production and movement of goods and services across Indian states. The GST will unify India into a single market with easy compliance, broaden the tax base and improve productivity. While there remains a potential for disruption in the short run, given the scale of change, the long term potential of this reform is immense.

India continues to be one of the fastest growing large economies despite the slowdown due to the government's decision of demonetization. The Indian economy is on a strong growth trajectory, which coupled with its commitment to fiscal discipline exhibited over the last three years suggests that its deficit and debt ratios are likely to decline significantly going forward.

REAL ESTATE SECTOR

The residential property market witnessed improved traction in the first six months of CY2016. Barring NCR, other markets performed well in the first half of the year as compared to previous years with Mumbai and Bengaluru leading the way. The overall positive sentiment was attributed to a host of factors including political stability, regulatory environment, improved infrastructure, strong investments, approval to the GST bill, and amendments to REITs. However the sector witnessed a visible temporary slowdown since the announcement of the government's demonetization policy.

On 8th November, 2016, the government announced the demonetization of ₹500 and ₹1,000 denomination notes, thereby rendering 86% of the cash in circulation as invalid. The government also placed various restrictions on the convertibility of domestic money and bank deposits. While the broad motive of the Government of India behind this announcement was to curb the menace of fake currency notes and abolishing

unaccounted money, the impact of this move was felt across all the sectors including real estate. This move created a real dent in the residential real estate sector, pulling back the last quarter trend of residential sales substantially across the cities. As a result sales weakened further in CY2016 as compared to CY2015, which was one of the worst years itself. On the contrary, the office market continued to perform steadily in 2016 and the overall transaction volume by the year end remained at par with 2015.

Beyond the short term demand factors, the long-term potential of Indian real estate continues to be robust. According to a Morgan Stanley research report, India's property sector is expected to grow at a CAGR of 16% for the next decade up from 12% growth witnessed in the last 6 years. Demand drivers include a rise in per capita income (from US$ 1,500 in 2015 to US$ 3,500 in 2025), rise in the median age of the population within the home buying range (30-40 years), continuing urbanization and an improving regulatory framework. With a confluence of these favorable factors the Indian property market has the potential to replicate the growth of Chinese developers in the last decade.

Affordability is a key factor in demand for homes. A note by property consultant JLL India says that individual purchasing power has improved over the last few years as income has risen at a faster rate than home prices. Importantly, there is a strong inverse relationship (correlation of 82%) between inflation rate and growth in home loans. Lower inflation elevates consumer confidence through financial stability and has a strong influence on the decision to borrow to buy a house. With inflation expected to remain low and range-bound, given increased housing affordability and purchasing power, the environment is conducive for housing demand to revive.

In line with the government's reformist approach to boost the real estate and housing sectors that hold key to the GDP growth, the budget has provided a big push to this sector through a number of initiatives. The infrastructure status accorded to affordable housing is a game changing move that will open up more institutional sources for developers to raise funds at competitive price. The interest subvention scheme on home loans for buyers in the budget segment will encourage a lot of buyers who are looking to purchase their first home. The implementation of RERA and GST, lower home



The residential real estate sector is going through a critical transition phase post demonetization as transaction activity has slowed down considerably. While demonetization has had a negative impact in the short term, it will eventually help improve governance standards in real estate and provide a level playing field for organized developers.

loan interest rate regime and fiscal benefits for taxpayers in the Union Budget has improved sentiment which is extremely important for the revival of the sector. The sector will witness a transformation in 2017 on account of the implementation of various policy changes as developers recalibrate their businesses to the changing environment.

RESIDENTIAL MARKET

According to property research firm Knight Frank, the residential market of the top eight cities in India started off on a positive note in 2016. H1 CY2016 witnessed an increase of 7% in sales volume with sales of more than 135,000 units as compared to 126,620 units in H1 2015. The second half of 2016 continued the positive trend, with Q3 CY2016 sales volume showing a positive growth and sales volume across the top eight cities was holding steady at 67,000 – 68,000 units per quarter since Q1 CY2016. The sector lost momentum since the launch of the government's demonetization campaign in November 2016. Against this backdrop, most of the developers refrained from announcing new launches and buyers turned cautious before committing on purchases. Sales volume dropped by 44% YoY in Q4 CY2016 and new launches fell by 61% YoY during the same period. The sharp fall makes 2016 the worst year in terms of sales and launches ever since the global financial crisis of 2008. Total sales volume in the top eight cities dropped by 9% in CY2016 to 244,680 units from 267,960 units in CY2015.

NCR

The NCR residential market has been in a downward slide since 2010, and CY2016 was no different. New launches in NCR dwindled to 26,735 units in 2016 registering a drop of 58% YoY. Piling up inventory, lack of consumer confidence due to litigations and infrastructure delays were some of the major factors that have decelerated new launches in NCR. Sales volume dropped by 53% YoY in Q4 CY2016 and new launches fell by a massive 73% during the same period making it one of the worst affected markets due to demonetization.

Mumbai

The Mumbai Metropolitan Region (MMR) residential market witnessed strong growth momentum in H1 CY2016. Residential launches and sales grew by 29% and 23%, respectively, over the same period last year. However, in H2 CY2016, the market suffered a big blow with both launches and sales decreasing by 53% and 26% respectively. The announcement of demonetization disrupted market sentiment as buyers preferred to defer their purchases. However since the beginning of 2017, markets are showing early signs of improvement.

Bengaluru

The Bengaluru residential market has been under some pressure in the last two years, after observing a peak in 2013. While launches were already on a decline, owing to factors such as the increasing unsold inventory in the city, Bruhat Bengaluru Mahanagara Palike's (BBMP) drive to confront the encroachment of lake beds led to further curbing of new launches. Sales decreased by 7% and new launches declined by 17% in CY2016 compared to the previous year.

The residential real estate sector is going through a critical transition phase post demonetization as transaction activity has slowed down considerably. While demonetization has had a negative impact in the short term, it will eventually help improve governance standards in real estate and provide a level playing field for organized developers. The implementation of RERA and Benami Transactions (Prohibition) Amendment Act (BTPAA) will lead to an increase in compliance costs for unorganized developers. This will pave way for consolidation in the sector as landowners seek to partner with reputable developers through the joint development model, and cash starved developers monetize their land banks by selling it to developers with strong balance sheets having access to institutional funding.

Housing demand will get a big boost with interest rates on home loans becoming cheaper following steep cut in lending rates by major banks. Post demonetization, home loan rates have also fallen to 8.25 - 8.65%, and are at the lowest levels in the last eight years.

OFFICE MARKET

The office market across the top six cities of India performed steadily in CY2016 despite major challenges such as uncertainty due to Brexit, US elections and slowdown in IT/ ITeS sector. According to property research firm Knight Frank, CY2016 closed with total transactions of 40.6 million sq. ft. which is marginally lower than 41.1 million sq. ft. of space transacted in CY2015.

The potential demand for office space was much higher in 2016, but many occupiers had to either delay or curtail their leasable area due to shortage of good quality office space in prime locations of cities such as Bengaluru, Pune and Chennai. Additionally, the top six cities witnessed new supply addition of 29 million sq. ft. down from 35 million sq. ft. in 2015. The shortage of office space can be further explained by studying the vacancy trend over the last six years. The vacancy level, which peaked at 20% in 2012, has been falling gradually with each passing year and is currently at one of its lowest levels in recent history at 13%. For cities like Bengaluru and Pune, this number is in single digits at 6% and 8% respectively.

OPPORTUNITIES

Rapid Urbanization

The Economic Survey 2016-17 describes an India on the move. Migration has almost doubled, to an annual flow of 9 million a year for 2011-16, from 5.5-6 million a year between 2001-11. India's urban population is forecasted to almost double from 410 million in 2014 to over 583 million by 2030. At present, there is a shortage of 18.8 million homes across urban centers of India. The effect of urbanization is the most profound in Tier-1 cities where a huge influx of migrants is causing housing demand to surge. This trend has significantly increased the demand for housing in the urban context.

Middle income housing

The government of India has significantly enhanced the scope of the interest subsidy scheme targeted at middle income housing. This scheme covers households earning up to INR 18 lakh per annum with an upper limit on carpet area of 110 square meters and with no cap on the value of the house. This enhances the coverage of the scheme as it will cover a vast majority of middle income population in major metro and Tier 1 cities.

Under this scheme, The Government of India through a lending institution (banks/NBFCs) will give an interest subsidy of 3% for a home loan till INR 9 lakhs and 4% for a home loan till INR 12 lakhs. This will be subject to income classifications of MIG-1 (annual income of INR 12 lakhs) or MIG2 (annual income of INR 18 lakhs) with the house being bought under 90/110 square meters limit. The home loan subsidy under the scheme will directly be taken from the government and credited to the home loan seeker's bank account by the lending institution via Aadhar. Since the scheme does not cap the value of the house, it implies that any middle income housing project can qualify under the scheme subject to the family buying it is falling under the above income limits. This is a powerful catalyst to drive home ownership.

Monetary Easing

Housing demand will get a big boost with interest rates on home loans becoming cheaper following steep cut in lending rates by major banks. Post demonetization, home loan rates have also fallen to 8.25 - 8.65%, and are at the lowest levels in the last eight years. A rollback in rates positively impacts sentiment and encourages home buyers and real estate developers.

REAL ESTATE REFORMS

Real Estate (Regulation and Development) Act, 2016

The Real Estate (Regulation and Development) Act, 2016 is a Government of India initiative to bring about the much needed transparency and order to the real estate transactions by creating a systematic and a uniform regulatory environment, thereby protecting consumer interest and making real estate developers accountable for timely completion of projects. From 1 May 2017, the entire Act has been brought into force by the Central Government (except in the State of Jammu and Kashmir) thereby embarking the beginning of a new era in the real estate sector of the country. So far, only a few states have come up with their rules. Below are certain key provisions of the act.



Disclosures to be made by the developer during project registration:

- Brief on developer entity and details of the projects launched by the developer over last five years along with their current status, any delay in completion, details of pending cases, details of type of land and pending payments
- Authenticated copies of approvals and commencement certificate, the sanctioned plan, layout plan and specifications of the proposed project/phase as sanctioned by the competent authorities
- Plan of development works to be executed in the proposed project and the proposed facilities to be provided
- Location details of the project along with demarcation of land dedicated for the project
- Proforma of the allotment letter, agreement for sale, and the conveyance deed proposed to be signed with the allottees
- Names and addresses of real estate agents for the project
- Names and addresses of the contractors, architect, structural engineer, and other persons associated with the development of the proposed project

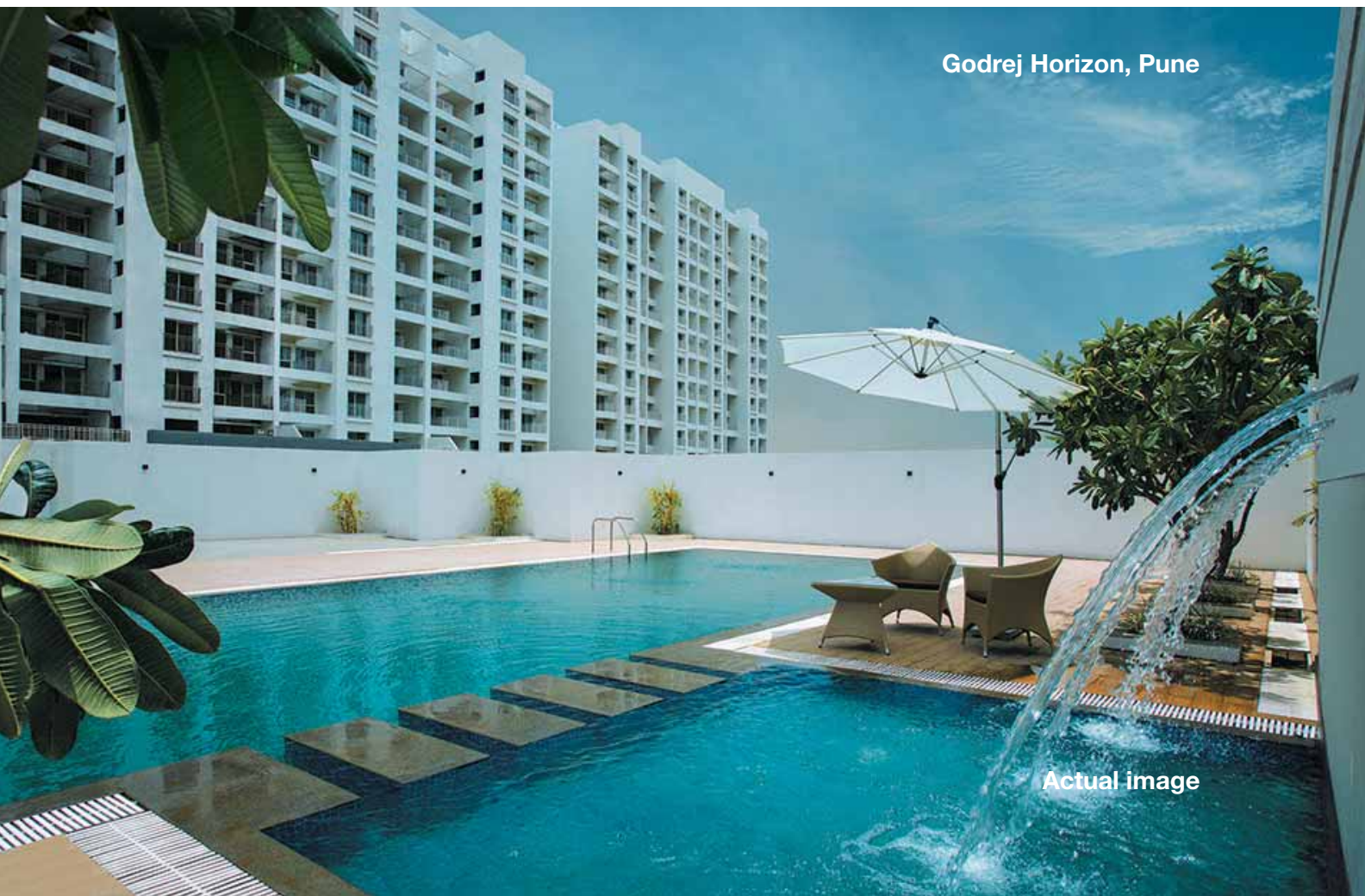
Declaration to be made by the developer during project registration:

- Developer has a legal title to the land on which the development is proposed along with legally valid documents with authentication of such title, if such land is owned by another person
- The land is free from all encumbrances, or as the case may be details of the encumbrances on such land including any rights, title or interest

- Time period within which the project/phase is to be completed
- 70% of the amount realized from the project, from time to time, shall be deposited in a separate account to be maintained in a scheduled bank to cover the cost of construction and the land cost and shall be used only for that purpose
- The developer shall withdraw the amounts from the separate account, to cover the cost of the project, in proportion to the percentage of completion of the project, duly certified by an engineer, an architect and a chartered accountant

Responsibilities of Developer/Promoter of Real Estate Project

- A developer is not allowed to advertise, market, book, sell or offer for sale, or invite persons to purchase any real estate project (apartment, building, plotted land) or part of it, without registering the real estate project with the Real Estate Regulatory Authority established under the Real Estate Act. This is required for all projects in which the land proposed to be developed is greater than 500 square meters or number of apartments to be sold is greater than 8.
- A developer shall not accept more than 10% of the sale consideration without entering into an 'agreement for sale' with the buyer and registering the same. The agreement of sale is to be in the prescribed format and should specify details related to project plans, configurations, project delivery timelines, payment schedule, etc.
- Modifications in sanctioned plans, layout plans, building specifications and open areas could be undertaken only after receiving consent from two-thirds of the allottees. In case of structural defects, deficiency in quality/provision of services or inadequacy in any other promoter obligation as per the sale agreement, it needs to be rectified by the developer free of cost if brought to his notice within 5 years of handing over the possession.
- If the developer is unable to deliver the project as per the terms of the registered sale agreement and if the allottee wishes to withdraw from the project, the developer is liable



to return the sale consideration received till date along with interest at rate specified by the real estate regulator. If the allottee does not wish to withdraw, developer is required to pay interest (at the specified rate) every month to the allotee till the handing over of the possession.

Updates on project web page

Developer needs to update the following information in the project webpage on the authority's website to be accessed by public

- Details of project registration
- Sanctioned project plans, layout plans along with specifications
- Stage-wise time schedule of project completion including civic infrastructure
- Quarterly updates on sales, approvals (received & pending) and construction status

In addition, real estate agents are not allowed to facilitate sale or purchase of any real estate project (plot, apartment, building) without being registered with the relevant real estate regulatory authority. Such agents are then allowed to facilitate sale/purchase of only those real estate projects that are registered with the real estate authority.

The implementation of the Act, in its true spirit will have a far-reaching impact on the real estate sector and will transform the entire paradigm in which the sector operates and the manner in which different stakeholders interact with each other. With restricted fungibility of funds across projects, well capitalized developers should not face any issues. Smaller unorganized players will be negatively impacted on account of this provision, which should lead to customer preference for organized players with sound project delivery track record. The severe cost of non-adherence will discourage smaller, one-time players from entering real estate development leading to high entry barriers.

Finalization of REIT regulations

The Real Estate Investment Trusts (REIT) structure consists of a single company or group, owning and 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. Globally REITs have proven to be an attractive investment option ensuring participation from retail investors, pension funds and insurance companies.

According to a report by KPMG, rent-generating real estate assets spread over 1.73 billion sq. ft. worth $121 billion are likely to benefit from the REIT opportunity in India. Of these total assets that can be listed under REITs, rent-yielding office inventory is spread over 537 million sq. ft. valued in excess of $70 billion or worth more than 50% of valuation of total assets. In the past eight years, SEBI has amended the REITs rules several times, aiming to promote investments modelled along the lines of mutual funds in real estate.

Union Budget 2017

Union Budget 2017 proposed several positive measures for the real estate sector. Below are some of the key measures:

Affordable Housing

In a move to provide impetus to the affordable housing segment, the Union Budget has assigned infrastructure status to affordable housing projects. This will result in better access to funding (including land funding), longer tenure loans and lower cost of funding for developers. The qualifying size of affordable houses has been amended from built up area to carpet area (carpet area of 30 and 60 square meters in metros and non-metro cities respectively) to expand the ambit of homes which fall under this category.

The Union Budget 2016-17 provided 100% deduction benefits to real estate developers for any profits arising out from affordable housing projects, subject to the satisfaction of certain conditions including the project being completed within 3 years. However, a building requires a large number of other approvals, including fire NOC, approvals for height, environmental clearance, etc., which are time consuming. As a result it was extremely difficult for developers to complete projects within 3 years from receiving the building/ layout plan approvals. The Finance Bill, 2017 proposes to increase this time limit to five years which is in line with realistic delivery timelines.

The affordable segment will also benefit from an increased allocation of INR 3.96 lakh crore to infrastructure sector and INR 64,000 crores for national highways. Connectivity is an important factor for feasibility of locations for affordable housing and development of new infrastructure facilitates better connectivity.

The affordable housing segment has seen limited participation from private developers despite high demand. Profit linked exemption along with the infrastructure status for affordable housing will incentivize developers to undertake more affordable housing projects, thus increasing private player's participation in the sector.

GPL sold over 6 lakh sq. ft. of villas with a booking value well in excess of ₹ 300 crore in a single day. For FY17, we managed to sell more than a million sq. ft. in this project with a booking value of INR 563 crore. We are proud of this achievement given that this was our first ever project in Noida and the launch was executed at a time when market conditions were very unsupportive.

Long term capital gains concessions

The holding period for capital gains arising from immovable property has been reduced from 36 months to 24 months. Further, the base year for indexation benefits will be shifted from April 1, 1981 to April 1, 2001. These steps are expected to reduce the capital gains tax burden on property sellers, improve liquidity and enhance the marketability of real estate as an asset class.

Abolition of Foreign Investment Promotion Board (FIPB)

Over the last two years, the government has implemented several reforms to encourage Foreign Direct Investment (FDI) in India. As more than 90% of the total FDI inflows currently take place through the automatic route, the government has decided to do away with the FIPB in 2017-18. This is in conjunction with the government's view to further liberalize FDI norms and attract foreign investors. Under the automatic route for FDI, the foreign investors will not require any prior approval from the FIPB and will only be subject to laws defined for each sector.

Capital gains tax liability changed for Joint Development Agreement (JDA)

If a joint development agreement is signed for the development of property, then the capital gains tax will only be paid in the year of completion of the project. Apart from several other measures to reduce capital gains tax, this step will provide tax relief not only to the landowner but also the developer, thereby decreasing their liability.

THREATS & CHALLENGES

Regulatory Hurdles

Unfavourable 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.

Funding Problems

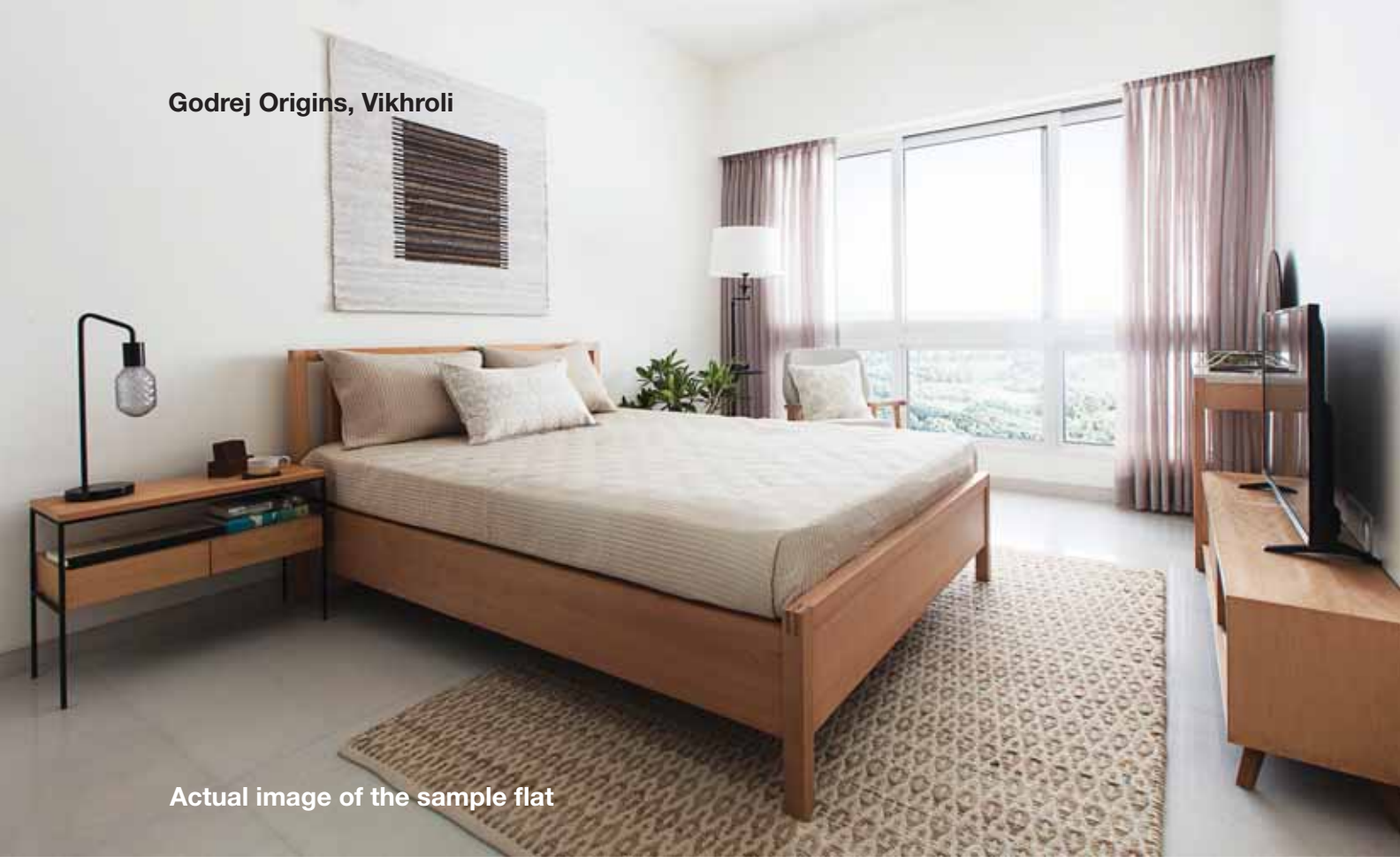
The RBI has set sectoral caps for the total maximum exposure of banks to real estate including individual housing loans and lending to developers for construction finance which is quite low and is curtailing the growth of the sector. Absence of long term funding from banks is forcing developers to look at alternative sources of funds most of which do not offer affordable interest rates.

Shortage of Manpower & Technology

Despite being the second largest employer in the country the construction sector as a whole faces manpower shortage. Further the sector is heavily dependent on manual labour which increases the timelines for construction companies and results in supply getting deferred. Hence technologically less labour intensive alternative methods of construction need to be adopted on a large scale through training and skill development of manpower.

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. Godrej Properties brings the Godrej Group philosophy of innovation, sustainability, and excellence to the real estate industry. Each Godrej Properties development combines a 120 year legacy of excellence and trust with a commitment to cutting-edge design and technology. Godrej Properties is currently developing residential, commercial and township projects spread across approximately 13 million square meters (133 million square feet) in 12 cities.



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.

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 has led to us acquiring a strong position within the sector. In addition, GPL's association with the Godrej Group provides accessibility to several land parcels owned by Godrej Group companies enhancing the scope of our development portfolio significantly.

b. Sales performance

FY17 was a tough year for the real estate sector. Your Company registered booking volume of 3.1 million sq. ft. and booking value of INR 2,020 Cr in a weak real estate market. Below are the highlights:

Godrej Golf Links, Noida

Your Company launched Godrej Golf Links in Greater Noida in the first week of November 2016 at a time when the NCR market was in the midst of a major slowdown. GPL sold over 6 lakh sq. ft. of villas with a booking value well in excess of ₹ 300 crore in a single day. For FY17, we managed to sell more than a million sq. ft. in this project with a booking value of INR 563 crore. We are proud of this achievement given that this was our first ever project in Noida and the launch was executed at a time when market conditions were very unsupportive.

This also reinforces our belief that even in a slow market there remains strong demand for good projects in good locations from trusted developers. The Noida launch serves as a reflection of our brand strength, sales capability and ability to successfully attract customers across the country's leading real estate market.

Godrej Emerald, Thane

Godrej Emerald was one of the fastest to launch projects in Mumbai and we managed to register robust sales despite fairly challenging market conditions. We sold ~3 lakh square feet with a booking value in excess of INR 250 crore in FY17.

Godrej Greens, Pune

Godrej Greens witnessed an overwhelming customer response despite being launched immediately after the government's demonetization announcement. We sold 420,088 sq. ft. with a booking value of INR 187 crore in FY17.

c. Business development

GPL added 7 new projects with saleable area of 18 million sq. ft. in FY17. The government's announcement of demonetization in addition to implementation of RERA has changed the structural dynamics of the real estate sector. The sector is likely to see a shift towards organized developers as non-serious players with low repute will find it difficult to comply with the increased scrutiny from regulators and home buyers. This will lead to an increase in joint development agreements and mergers & acquisitions which will benefit companies operating in the organized sector. Budget 2017 has also proposed a change in the capital gains tax liability for joint development agreement (JDA) to develop real estate projects. The capital gains tax will only be paid in the year of completion of the project and not at the onset. This is expected to promote the JDA model as an efficient way of acquiring land parcels in a capital-scarce environment. We are well placed to capitalize on the opportunities in the business development space given the robust systems and processes we have built over the past few years. Our strong brand and solid governance framework provides us with a strong advantage in increasing the depth of our presence across the country's leading real estate markets while maintaining a capital light development strategy. Below is the table which gives details on our business development activity in FY17.



Particulars	Saleable Area (million sq. ft.)	Business Model
Godrej Golf Links, Greater Noida	4	Profit sharing – 40%
Sarjapur 1, Bengaluru	9	DM fee – 12% of Revenue
Sarjapur 2, Bengaluru	1	Godrej Residential Investment Platform II
Bavdhan, Pune	0.56	Profit sharing – 45%
Bellary Road, Bengaluru	0.8	Area sharing – 90%
Godrej Tranquil, Mumbai	1	DM fee – 11% of Revenue
Godrej 24, Pune	1.7	Godrej Residential Investment Platform II

d. Customer Centricity

GPL is one of first companies in the Indian real estate domain to establish customer experience enrichment protocols. The organizational philosophy is 'Customer First' rather than 'Business First'. GPL has adopted a comprehensive Customer Experience Transformation strategy to enhance customer satisfaction across touch points across functions in the organization. The aim is to bring dynamic data, marketing processes and value-added services to a unified decision supporting platform through iterative phases of customer acquisition, retention and cross selling. Timely delivery is a critical component of this strategy. GPL has delivered 4.55 million square feet in FY17, which includes 3.27 million square feet of residential and 1.28 million square feet of commercial space across four cities. To build on the legacy of trust we have inherited, GPL has created a distinctive customer-centric culture which aims to deliver a high quality customer experience. Below is the list of projects we have delivered in FY17.

Particulars	Saleable Area (million sq. ft.)
Godrej Garden City, Ahmedabad	1.86
Godrej BKC, Mumbai	1.28
Godrej Platinum, Bengaluru	0.55
Godrej E-City, Bengaluru	0.53
Godrej Serenity, Mumbai	0.18
Godrej Horizon, Pune	0.10
Godrej Gold County, Bengaluru	0.05

e. Expanding international presence

Your Company opened its second international representative office in Singapore. Singapore is an important market opportunity for GPL and our presence will help us to address the needs of the large Indian diaspora located in Singapore and neighboring geographies. A stable government coupled with a depreciating rupee has made Indian real estate an attractive destination for NRIs. The demonetization drive and implementation of the Real Estate Regulatory Act (RERA) have further improved the confidence of non-resident Indians to invest in the Indian residential market.

f. Global recognition for sustainability initiatives

GPL was ranked 2nd in Asia & 5th globally by GRESB (Global Real Estate Sustainability Benchmark) - An industry-driven organization which assesses Environmental, Social and Governance (ESG) performance of real estate assets globally. GRESB is committed to rigorous and independent evaluation of the sustainability performance of real assets across the globe. GRESB data is used by more than 200 institutional investors, listed property companies and fund managers and is backed by all leading international real estate associations and industry bodies. It provides investors the tools to benchmark their investments against each other based on property type, country and regional peer groups. GRESB is widely recognized as the global standard for portfolio-level ESG reporting and benchmarking in the real asset sector.

In addition, Godrej One, our headquarters received a LEED Platinum Rating under the Commercial Interiors segment from the US Green Building Council (USGBC). This is one of the first such certifications in the country. The Indian Green Building Council (IGBC) awarded the IGBC Green Champion Award to Mr. Pirojsha Godrej at the IGBC Green Champions Awards 2016. The Green Champions Award is an honor bestowed by IGBC to individuals for their contribution to the sustainability of India's built environment.

g. Sustainable development

To demonstrate our commitment to sustainable practices, Godrej Industries Limited & Associated Companies (GILAC) initiated the 'Godrej Good & Green' program to achieve specified environmental targets by the year 2020. Under the ambit of this initiative, at GPL we have committed ourselves to the triple bottom line approach of People, Planet & Profit.

We follow a comprehensive approach to sustainable development from an early design phase through the construction period. In our integrated process, the way 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. Our focus on sustainable development covers environmental parameters including site selection and planning, pedestrian friendly developments, indoor environmental quality, maximizing day lighting and natural ventilation, water and energy efficiency and responsible material sourcing. We integrate the concept of sustainable development across our operations.

Sustainability is one of the key principles that underscores 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 and has proved useful for us to action our goal that all of our buildings should be certified green under credible external ratings systems such as the Indian Green Building Council (IGBC), Leadership in Energy and Environmental Design (LEED) etc. We look at sustainability at a larger organizational level. As a part of the Godrej group, we are one of the founding members of the IGBC, which is actively involved in promoting green building concepts in India. Godrej Properties has cofounded the Sustainable Housing Leadership Consortium (SHLC) a voluntary, collaborative effort with leading Indian housing sector companies to drive sustainability in India's housing market. Brought together by the International Finance Corporation (IFC), a member of the World Bank Group, the SHLC's focus and mandate is to promote sustainable urban development.

In the previous financial year, we have extended our commitment to sustainability across all domains of our business and assessed sustainability along the lines of the Global Reporting Initiative Generation 4 (GRI G4) guidelines. The Global Reporting Initiative (GRI) is a comprehensive framework for product responsibility and ensuring triple bottom line sustainability for business. It is a non-financial disclosure of performance indicators that cover social, environmental & economic aspects. This assessment has ensured a continuous integration of sustainable practices across operations at GPL. We have base-lined our consumption patterns and are now able to monitor and assess efficiency in operational practices, processes, technologies and materials and understand our environmental footprint. We have initiated cross functional learnings and best practices as well as mitigation and offset projects to reduce our environmental footprint that will in turn help us fulfil our Good & Green 2020 vision.

h. Health and safety management system

We give high priority to the health and safety of our employees. An effective way of ensuring this is building a safety culture, where safety is the responsibility of each and every employee. The company has a robust health and safety management system which has comprehensive safety checks at each step of the project starting from the contractor pre-qualification stage. We have a dedicated safety team at each site which is entrusted with the responsibility of promoting safety among all employees. This team undertakes numerous awareness and training programs besides creating and executing a monthly safety activity plan for each site. The safety committee at sites are composed of management and worker representatives and the average ratio is about 50%, as per statutory requirement.

Contract health and safety management system

This proactive system starts well before awarding the contract with safety assessment of prospective contractors through the pre-qualification (PQ) process, assessment of business risk and initiating required mitigation plan based on the PQ score of the contractor. Also, in the pre-qualification stage we give preference to contractors who are OHSAS 18001 (Occupational Health and Safety Assessment Series) certified. The contractor who is brought on board is briefed in a joint safety kick-off meeting and the subsequent mobilization phase is guided and audited by a safety and health infra tracker. The contractor signs a legal undertaking while rolling out the site health and safety plan. This also provides guidelines to the contractors for undertaking work at the site.

Hazard Identification and Risk Assessment (HIRA)

A cross functional Hazard Identification and Risk Assessment (HIRA) team is formed at each site before the commencement of work. While the primary responsibility of this team is to conduct a detailed HIRA exercise, it also gives training on HIRA to the workers.



Godrej Gold County, Bengaluru

Health Surveillance Program

As part of our health surveillance program, a pre-employment medical examination is conducted for workers being employed at our project sites. Personnel who operate machinery or drive vehicles undergo thorough medical examination at the time of being employed as well as at regular intervals of time.

Training and Awareness Campaign

We believe that skill enhancement, capability building and awareness are the strongest pillars of our safety and health management system. Thus, we give special impetus to awareness programs, skill training sessions, motivational campaigns and heath camps. In the reporting year we conducted more than 5,800 safety training sessions with more than 171,000 attendees. Events like National Safety Day, World Environment Day, Road Safety Week and Fire Service Day are celebrated across our sites as they provide important platforms to create awareness about health and safety.

Safety Audit

Safety auditing is a periodic review of the entire occupational health and safety management system, including the policy and programs aimed to prevent workplace accidents/ incidents. We conduct a safety audit on a quarterly basis. The analysis of safety audit gives us scope for further improvement in health and safety management system.

i. Human Capital

As part of the 120 year old Godrej Group, we are fortunate to have a proud legacy built on the strong values of trust, integrity and respect for others. At the same time, our exciting and ambitious growth plans allow us to offer unparalleled career opportunities relatively early on in a person's career. Core to our employer brand, is the philosophy of tough love. We expect a lot from our team members, differentiate on the basis of performance and potential through career opportunities and rewards and lay particular emphasis on developing,

mentoring and training. In line with our operational scale-up we have increased our total employee strength by 5% to 1,004 employees during the year.

At GPL, we recognize and value the diversity of our people, their perspectives and experiences. Women comprise 27% of our total workforce which is one of the highest women participation rates in the real estate sector. Our women leaders succeed in roles across all aspects of our operations. Their contributions have been instrumental in GPL reaching its current position of strength. We are fully committed to sustain our efforts to recruit, retain, and grow our women leaders. We strive to ensure women friendly policies, facilities, and development opportunities to nurture talent and create an enabling work environment. Inclusivity is a central tenet of our culture and organizational value system. Fostering diversity has made us a stronger and more productive organization.

THREATS, RISKS AND CONCERNS

1. Industry Cyclicality

The real estate market is inherently a cyclical market and is affected by macroeconomic 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, residential platforms, and development management through 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.

OUTLOOK

A cyclical downturn combined with demonetization and the implementation of the Real Estate (Regulation and Development) Act, 2016 has created short-term uncertainty in the sector. However these same factors will lead to consolidation and improved governance in the sector, which in turn will drive improved consumer confidence. The combination of this improved consumer confidence with far improved affordability that is the result of rising incomes, stagnant prices, and reduced interest rates will propel the sector in a very positive direction over the next several years. The infrastructure status accorded to affordable housing is a game changing move that will open up more institutional sources for developers to raise funds at competitive price. This move will encourage leading developers to enter this segment. We expect 2017 to be a transition year for the sector with things starting out slow but seeing a dramatic improvement during the year. Our brand, national presence, demonstrated track record, and capabilities put us in a strong position to disproportionately benefit from any improvement in the environment and will allow us to remain on a high growth trajectory in the years ahead.

DIRECTORS' REPORT FOR **THE FINANCIAL YEAR ENDED MARCH 31, 2017**

TO THE MEMBERS

The Directors have pleasure in presenting the Thirty-Second Directors' Report of your Company along with the financial statements for the financial year ended March 31, 2017.

1. OPERATING RESULTS :

Certain key aspects of the Company's performance (on a standalone basis) during the financial year ended March 31, 2017, as compared to the previous financial year are summarised below:

Particulars	Financial Year 2016 – 2017 (₹ In Crores)	Financial Year 2015 – 2016 (₹ In Crores)
Revenue from Operations	457.14	374.17
Other Income	248.14	222.12
Total Income	705.28	596.29
Profit Before Tax	113.69	31.75
Profit After Tax	124.25	22.73
Other Comprehensive Income	(0.31)	(0.61)
Total Comprehensive Income	123.94	22.12

The Company has adopted Indian Accounting Standards (Ind AS) with effect from April 01, 2016 prescribed under section 133 of the Companies Act, 2013.

2. DIVIDEND:

In terms of the Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), the Dividend Distribution Policy of the Company is appended as Annexure I to this Report and also available on the website of the Company at https://www.godrejproperties.com/investor/corporategovernance.

Your Company has been growing rapidly over the last few years. Given the significant weakness in the real estate market over the period, there have been significant business development opportunities available for the Company. The upcoming implementation of the Real Estate Regulatory Act, 2016 has given further impetus to consolidation in the industry and your Company believes there is considerable opportunity for your Company to add new projects at attractive valuations. With these kind of opportunities available and with our ambition to considerably scale the business, it is important for the Company to conserve cash. With this objective of investing strongly in new project opportunities, the Board of Directors have therefore not recommended any dividend for the financial year ended March 31, 2017.

3. SHARE CAPITAL :

During the financial year ended March 31, 2017, the Company had issued and allotted 104,326 equity shares of ₹ 5/- each of the Company to its eligible employees on exercise of options granted under the Godrej Properties Limited Employee Stock Grant Scheme, 2011. Consequently, the issued, subscribed and paid–up equity share capital of the Company has increased to 216,364,692 equity shares of ₹ 5/- each. The Company has neither issued shares with differential rights as to dividend, voting or otherwise nor issued shares (including sweat equity shares) to the employees or Directors of the Company under any Scheme.

4. OVERVIEW OF OPERATIONS:

For the full financial year, GPL's total income decreased by 24% and stood at ₹ 1,733 crore on a consolidated basis. However, EBITDA increased by 42% to ₹ 401 crore and net profit increased by 30% to ₹ 207 crore. An important contributor to the strong profit growth has been our flagship project 'The Trees' which attained revenue recognition much ahead of schedule.

The Company managed to demonstrate strong value addition to its development portfolio despite the current uncertainties and challenges in the real estate environment. GPL added 7 new projects with saleable area of 18 million sq. ft. The new projects signed are located in Bangalore, Pune, National Capital Region and Mumbai. The projects added are all of substantial size and are in line with the Company's long term strategy of focusing on value accretive and risk efficient models.

From a sales perspective, despite a weak year on the whole due to regulatory approval delays resulting in a low number of new residential project launches, the projects which we were able to launch received an encouraging response. GPL registered booking volume of 3.1 million sq. ft. and booking value of ₹ 2,020 crore in an otherwise weak real estate market.

One project in particular that stood out in FY 2017 was Godrej Golf Links, our first project in Noida. GPL launched Godrej Golf Links in Greater Noida in the first week of November 2016 at a time when the NCR market was in the midst of a major slowdown. We sold over 6 lakh sq. ft. of villas with a booking value well in excess of ₹ 300 crore in a single day. For FY17, we managed to sell more than a million sq. ft. in this project with a booking value of ₹ 563 crore. We are proud of this achievement given that this was our first ever project in Noida and the launch was executed at a time when market conditions were very unsupportive. Godrej Greens in Pune also witnessed an overwhelming customer response despite being launched immediately after the government's demonetization announcement. We sold 420,088 sq. ft. with a booking value of ₹ 187 crore in FY17 at Godrej Greens.

On the operational front, we successfully delivered 4.55 million sq. ft. across four cities. We have now delivered over 15 million sq. ft. of real estate in the last four years which we believe demonstrates that our operational delivery is keeping pace with our sales acceleration over the past few years.

Sustainable development is an important part of our Company's vision and we have received several recognitions for our leadership in environmental sustainability in FY17. GPL was ranked as the 2nd best developer in Asia and 5th best globally for its leadership in sustainable development by Global Real Estate Sustainability Benchmark Report (GRESB). Godrej One received LEED Platinum Rating for the office premises under the Commercial Interiors segment from the US Green Building Council (USGBC). This is one of the first such certifications in the country. GPL also received significant external recognition with a total of 60 awards being received in FY17.

5. FUTURE PROSPECTS AND OUTLOOK OF THE COMPANY:

A cyclical downturn combined with demonetization and the implementation of the Real Estate (Regulation and Development) Act, 2016 has created short-term uncertainty in the sector. However these same factors will lead to consolidation and improved governance in the sector, which in turn will drive improved consumer confidence. The combination of this improved consumer confidence with far improved affordability that is the result of rising incomes, stagnant prices and reduced interest rates will propel the sector in a very positive direction over the next several years. The infrastructure status accorded to affordable housing is a game changing move that will open up more institutional sources for developers to raise funds at a competitive price. This move will encourage leading developers to enter this segment. We expect 2017 to be a transition year but the years ahead are likely to be very exciting ones for real estate development in India. Our brand, national presence, demonstrated track record and capabilities put us in a strong position to disproportionately benefit from any improvement in the environment and will allow us to remain on a high growth trajectory in the years ahead.

We will 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. Our mission is to seek superior long-term growth in shareholder

value by maximizing returns through optimal financing and fiscal discipline. The Company's primary growth focus shall be on 4 key markets of Mumbai, NCR, Bengaluru and Pune, while at the same time opportunistically pursuing other key markets. The residential investment platform will enable us to enter projects which require large upfront capital investment.

On the operational front, the company shall be focusing on quick launch turnaround times and swift execution and delivery of projects. The company will continue to improve its project execution capabilities across regions, strengthened through continuously improving internal processes and internal capability building. In addition, a customer centric approach to growth, operational efficiency, optimizing return on capital and developing crisis and risk management capabilities will continue to remain the Company's focus areas.

6. 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, 2017, 99.98 % of the equity shares of the Company were held in dematerialised form.

7. SCHEME OF AMALGAMATION OF HAPPY HIGHRISES LIMITED WITH THE COMPANY:

Happy Highrises Limited ("HHL"), a wholly owned subsidiary of the Company, was amalgamated with the Company in terms of the Scheme of Amalgamation ('Scheme') sanctioned by the National Company Law Tribunal vide its order dated March 29, 2017. The petition for the Scheme was originally filed by HHL with Hon'ble High Court of Judicature at Bombay for approval of the Scheme. Consequent to enforcement of provisions of Companies (Compromise, Arrangements and Amalgamations) Rules, 2016 relating to merger, arrangement etc. with effect from December 15, 2016, cases relating to merger/amalgamations pending immediately before such date before any High Court, stood transferred to the National Company Law Tribunal (Tribunal/NCLT).

Accordingly, the order for approving the said Scheme was passed by the National Company Law Tribunal, Mumbai Bench. The appointed date of the Scheme was May 01, 2016. The Scheme has came into effect from April 25, 2017.

8. EXTRACT OF ANNUAL RETURN:

The Extract of Annual Return as provided under Section 92(3) of the Companies Act, 2013 (the "Companies Act") and as prescribed in Form No. MGT-9 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, is appended as Annexure II to this Report.

9. NUMBER OF MEETINGS OF THE BOARD:

The Board met 4 (four) times in the financial year ended March 31, 2017 on May 05, 2016, August 09, 2016, November 09, 2016 and February 02, 2017.

10. DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors hereby confirm that:

i. In the preparation of the annual accounts for the financial year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures;

ii. They 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 as at March 31, 2017 and of the profit of the Company for the year ended on March 31, 2017.

iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act and rules made thereunder, as amended, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv. They have prepared the annual accounts for financial year ended March 31, 2017 on a 'going concern' basis.

v. They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and have been operating efficiently.

vi. They have devised proper systems to ensure compliance with provisions of all applicable laws and that such systems were adequate and operating effectively.

11. DECLARATION BY INDEPENDENT DIRECTORS:

The Independent Directors of the Company have submitted the declaration of Independence as required under Section 149(7) of the Companies Act, confirming that they meet the criteria of independence under Section 149(6) of the Companies Act and Regulation 16(1)(b) of SEBI LODR Regulations.

12. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The policy of the Company on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Section 178(3) of the Companies Act, is appended as Annexure III to this Report.

13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The details of loans given, investments made, guarantees given and securities provided under Section 186 of the Companies Act, have been provided in the notes to the standalone financial statements.

14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All transactions entered into during the financial year 2016-2017 with Related Parties as defined under the Companies Act and SEBI LODR Regulations were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any transaction referred to in Section 188 of the Companies Act, with related parties which could be considered material under SEBI LODR Regulations. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) of the Companies Act in Form AOC-2 is not applicable. Attention of Members is drawn to the disclosures of transactions with related parties set out in Notes to Accounts – Note No 48 forming part of the Standalone financial statements.

As required under Regulation 23 of SEBI LODR Regulations, the Company has formulated a Related Party Transactions Policy which is available on the website of the Company at https://www.godrejproperties.com/investor/corporategovernance.

15. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There have been no material changes and commitments affecting the financial position of the Company which have occurred between March 31, 2017 and the date of this Report, other than those disclosed in this Report.

16. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Companies Act read with the Companies (Accounts) Rules, 2014 is appended as Annexure IV to this Report.

17. BUSINESS RISK MANAGEMENT:

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

The business risks identified are reviewed by the Risk Management Committee and a detailed action plan to mitigate identified risks is drawn up and its implementation is monitored. The key risks and mitigation actions are then placed before the Audit Committee of the Company.

18. CORPORATE SOCIAL RESPONSIBILITY:

A Corporate Social Responsibility (CSR) Committee has been constituted in accordance with Section 135 of the Companies Act. The details required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 are given in CSR Report appended as Annexure V to this Report. The CSR Policy is available on the website of the Company at www.godrejproperties.com/investors.

19. VIGIL MECHANISM:

The Company has established a vigil mechanism for directors, employees and other stakeholders to report their genuine concerns, details of which have been given in the Corporate Governance Report forming part of this Annual Report.

20. ANNUAL EVALUATION OF PERFORMANCE OF THE BOARD:

The Company conducted a formal Board Effectiveness Review as part of its efforts to evaluate, identify improvements and thus enhance the effectiveness of the Board of Directors (Board), its Committees and individual directors. This was in line with the requirements mentioned in the Companies Act and SEBI LODR Regulations.

The Corporate HR team of Godrej Industries Limited and Associate Companies (GILAC) worked directly with the Chairman and the Nomination and Remuneration Committee of the Board, to design and execute this process which was adopted by the Board. Each Board Member completed a confidential online questionnaire, providing vital feedback on how the Board currently operates and how it might improve its effectiveness.

The survey comprised of four sections and compiled feedback and suggestions on:

- Board processes (including Board composition, strategic

orientation and team dynamics);
- Individual committees;
- Individual Board members; and
- Chairman's Feedback Report

The following reports were created, as part of the evaluation:

- Board Feedback Report
- Individual Board Member Feedback Report
- Chairman's Feedback Report

The overall Board Feedback Report was facilitated by Mr. Keki Dadiseth along with the Independent Directors. The Directors were vocal about the Board functioning effectively, but also identified areas which show scope for improvement. The Individual Committees and Board Members feedback was shared with the Chairman. Following his evaluation, a Chairman's Feedback Report was also compiled.

21. SUBSIDIARY COMPANIES:

A. Subsidiaries

During the financial year under review, Godrej Vikhroli Properties India Limited (incorporated as a result of conversion of Godrej Vikhroli Properties LLP), Godrej Skyline Developers Private Limited, Godrej Residency Private Limited, Pearlite Real Properties Private Limited, Godrej Real View Developers Private Limited, were incorporated as wholly owned subsidiaries of the Company. Happy Highrises Limited, wholly owned subsidiary of the Company, entered into a share purchase agreement with Citystar Infraprojects Limited and its shareholders and in terms of the said agreement, acquired the entire share capital of Citystar Infraprojects Limited. Consequent upon merger of Happy Highrises Limited with the Company, Godrej Properties Limited has become the member of Citystar InfraProjects Limited.

As at March 31, 2017, the Company had 20 subsidiaries under the Companies Act, namely, Godrej Realty Private Limited, Godrej Real Estate Private Limited, Godrej Buildcon Private Limited, Godrej Garden City Properties Private Limited, Godrej Projects Development Private Limited, Godrej Landmark Redevelopers Private Limited, Godrej Redevelopers (Mumbai) Private Limited, Godrej Green Homes Limited, Godrej Home Developers Private Limited, Godrej Hillside Properties Private Limited, Godrej Investment Advisers Private Limited, Godrej Prakriti Facilities Private Limited, Godrej Highrises Properties Private Limited, Godrej Fund Management Pte Ltd, Godrej Genesis Facilities Management Private Limited, Godrej Skyline Developers Private Limited, Godrej Residency Private Limited, Prakritiplaza Facilities Management Private Limited, Godrej Vikhroli Properties India Limited and Citystar Infraprojects Limited.

The Company shall provide a copy of the financial statements of its subsidiary companies to the members of the Company on their request. The financial statements of its subsidiary companies will also be kept open for inspection by any members at the registered office of the Company during business hours and will also be available on the website of the Company.

During the financial year under review, GRIP II Pte. Ltd, an investee company under the Godrej Residential Investment Program II, had entered into Share Subscription, Share Purchase and Shareholders' Agreements with the Company in respect of Godrej Greenview Housing Private Limited (GGHPL), Wonder Projects Development Private Limited (WPDPL) and Godrej Real View Developers Private Limited (GRVDPL), pursuant to which the Company has sold 80% of the equity share capital of GGHPL, WPDPL and GRVDPL to GRIP II Pte. Ltd. Likewise, the Company also entered into a Share Subscription, Share Purchase and Shareholders' Agreement with GRIP II Pte. Ltd. pursuant to which the Company has sold 51% of the equity share capital of Pearlite Real Properties Private Limited ('PRPPL') to GRIP II Pte. Ltd. Consequently, GGHPL, WPDPL, GRVDPL and PRPPL have ceased to be subsidiary of the Company.

As at March 31, 2017, Wonder Space Properties Private Limited, Wonder City Buildcon Private Limited, Godrej Home Constructions Private Limited, Godrej Greenview Housing Private Limited, Wonder Projects Development Private Limited, Godrej Real View Developers Private Limited, Pearlite Real Properties Private Limited and Godrej One Premises Management Private Limited are associate companies of the Company.

B. Limited Liability Partnerships (LLPs)

Your Company is a partner in the following LLPs as of March 31, 2017:

1. Godrej Property Developers LLP
2. Mosiac Landmarks LLP
3. Dream World Landmarks LLP
4. Oxford Realty LLP
5. Godrej SSPDL Green Acres LLP
6. M S Ramaiah Ventures LLP
7. Oasis Landmarks LLP
8. Caroa Properties LLP
9. Amitis Developers LLP
10. Godrej Construction Projects LLP
11. Godrej Housing Projects LLP
12. Godrej Land Developers LLP
13. Godrej Developers & Properties LLP
14. Godrej Highrises Realty LLP

15. Godrej Project Developers & Properties LLP
16. A R Landcraft LLP
17. Godrej Highview LLP
18. Prakhhyat Dwellings LLP
19. Godrej Skyview LLP
20. Bavdhan Realty @ Pune 21 LLP
22. Godrej Projects (Pune) LLP

C. Material Non-Listed Indian Subsidiary:

As at March 31, 2017, Godrej Buildcon Private Limited, a wholly owned subsidiary of the Company was considered material non-listed Indian subsidiary under Regulation 24 of SEBI LODR Regulations and accordingly one Independent Director of the Company was also on the Board of Godrej Buildcon Private Limited.

22. PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

As required under SEBI LODR Regulations and Section 129 of the Companies Act, the consolidated financial statements have been prepared by the Company in accordance with the applicable accounting standards and form part of the Annual Report. A statement containing the salient features of the Financial Statements of the subsidiaries, joint ventures and associate companies of the Company in Form AOC-1 as required under Rule 5 of the Companies (Accounts) Rules, 2014 form part of the notes to the financial statements.

23. DETAILS RELATING TO DEPOSITS COVERED UNDER CHAPTER V OF THE COMPANIES ACT, 2013:

Sr. No.	Particulars	Amount in Rupees
1	Accepted during the year	0
2	Remained unpaid or unclaimed as at the end of the year	12,883,000
3	Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved:-	0
	(i) at the beginning of the year	0
	(ii) maximum during the year	0
	(iii) at the end of the year	0
4	details of deposits which are not in compliance with the requirements of Chapter V of the Companies Act	0

The Company has not accepted any deposits from its Directors.

24. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

There are no significant and material orders passed by the regulators/courts/tribunals which would impact the going concern status of the Company and its future operations.

25. INTERNAL FINANCIAL CONTROL SYSTEM:

The Company has an internal financial control system commensurate with the size, scale and complexity of its operations. The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating action on continuing basis. These are routinely tested and certified by Statutory as well as Internal Auditors. The audit observations on internal financial controls are periodically reported to the Audit Committee.

26. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Mr. Adi B. Godrej, Chairman, stepped down from the Board of the Company with effect from April 01, 2017, with an intent to move away from active participation in the day to day functioning of the Company. He will however, continue to provide high level support in the capacity of Chairman Emeritus. The Board placed on record its appreciation for the valuable services rendered by Mr. Adi B. Godrej to the Company during his tenure as Chairman. Consequent to the said change, Mr. Pirojsha Godrej has been re-designated as Executive Chairman of the Company with effect from April 01, 2017 and Mr. Mohit Malhotra has been re-designated as Managing Director & Chief Executive Officer of the Company with effect from April 01, 2017.

On October 10, 2016, Ms. Parmeshwar A. Godrej, Non-Executive Director of the Company, passed away. The Board while recording its heart-felt condolence at the demise of Ms. Parmeshwar A. Godrej, appreciated the contributions made by her towards the growth of the Company from its formative period.

In accordance with the Articles of Association of the Company and the provisions of the Section 152(6)(e) of the Companies Act, Mr. Pirojsha Godrej (DIN: 00432983) will retire by rotation at the ensuing Annual General Meeting and being eligible, offered himself for re-appointment.

Mr. Pirojsha Godrej (DIN: 00432983) - Executive Chairman, Mr. Mohit Malhotra (DIN: 07074531) - Managing Director and Chief Executive Officer, Mr. Rajendra Khetawat – Chief Financial Officer and Mr. Surender Varma - Company Secretary & Chief Legal Officer are the Key Managerial Personnel of the Company as at the date of this Report. Pursuant to the approval of the members accorded at the Annual General Meeting held on August 09, 2016, the Company had made the applications to the Central Government for waiver of recovery of excess remuneration paid to Mr. Pirojsha Godrej and Mr. Mohit Malhotra for financial year 2015-16 and to Mr. K T Jithendran for the period April 01, 2015 to December 15, 2015. The Central Government has granted approval for waiver for recovery of excess remuneration paid to Mr. K T Jithendran and directed to recover ₹ 15.72 lakh out of excess remuneration of ₹ 2.68 crore paid to Mr. Pirojsha Godrej. The Company has taken necessary steps to recover the amount of ₹ 15.72 lakh from Mr. Pirojsha Godrej. The approval in respect of application of Mr. Mohit Malhotra is awaited.

27. AUDITORS' APPOINTMENT:

The Members of the Company at the 29th Annual General Meeting had appointed Kalyaniwalla & Mistry LLP, Chartered Accountants, (Firm Registration no.:104607W/W100166) as the Statutory Auditors of the Company, to hold office from the conclusion of 29th Annual General Meeting of the Company until the conclusion of the 32nd Annual General Meeting.

As per the provisions of the Companies Act, no listed company shall appoint an audit firm as auditors for more than two terms of five consecutive years. The Companies Act also provided for additional transition period of three years from the commencement of the Act i.e. 1st April, 2014. Accordingly, the term of the present Auditors, Kalyaniwalla & Mistry LLP expires at the conclusion of the forthcoming Annual General Meeting. The Board has recommended BSR & Co. LLP, Chartered Accountants, Firm Registration No. 101248W/W-100022, Mumbai as the Company's new Statutory Auditors for a period of five years commencing from the conclusion of Thirty Second Annual General Meeting till the conclusion of the Thirty Seventh Annual General Meeting. BSR & Co. LLP, Chartered Accountants have confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Companies Act and that they are not disqualified to be appointed as statutory auditor in terms of the provisions of Section 139(1), Section 141(2) and Section 141(3) of the Companies Act and the provisions of the Companies (Audit and Auditors) Rules, 2014. The Board of Directors recommends to the Members the appointment of BSR & Co. LLP, Chartered Accountants as Statutory Auditors of the Company.

There are no qualifications, reservations or adverse remarks or disclaimers made by Kalyaniwalla & Mistry, Statutory Auditors, in their report.

28. COST AUDITORS:

The Board of Directors of the Company, on recommendation of Audit Committee, appointed M/s. R Nanabhoy & Co, Cost Accountants, as Cost Auditors of the Company for the financial year 2017–18 at a fee of ₹ 1,05,000 (Rupees One Lakh Five Thousand only) plus applicable taxes and out of pocket expenses subject to the ratification of the said fees by the Members at the ensuing Annual General Meeting pursuant to Section 148 of the Companies Act.

The cost audit report would be filed with the Central Government within prescribed timelines.

29. SECRETARIAL AUDIT REPORT:

The Board of Directors of the Company have appointed A K Jain & Co., Practising Company Secretary, to conduct the Secretarial Audit and his Report on Company's Secretarial Audit is appended to this Report as Annexure VI.

There are no qualifications, reservations or adverse remarks or disclaimers made by A. K. Jain & Co., Company Secretary in practice, in their Secretarial Audit Report.

30. FRAUD REPORTING:

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Companies Act and Rules framed thereunder either to the Company or to the Central Government.

31. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2) of SEBI LODR Regulations, is appended to this Report.

32. CORPORATE GOVERNANCE:

Your Company is committed to maintaining the highest standards of Corporate Governance and adhering to the corporate governance requirements as set out by Securities and Exchange Board of India. The Report on Corporate Governance as stipulated under SEBI LODR Regulations forms

part of the Annual Report. The Certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance as stipulated under Schedule V to SEBI LODR Regulations and applicable provisions of the Companies Act forms part of the Corporate Governance Report.

33. AUDIT COMMITTEE OF THE COMPANY:

Your Company's Audit Committee comprises the following 7 (seven) Independent Directors, viz. Mr. Keki B. Dadiseth (Chairman), Mrs. Lalita D. Gupte, Mr. Amit B. Choudhury, Mr. Pranay D. Vakil, Dr. Pritam Singh, Mr. S. Narayan and Mr. Amitava Mukherjee.

The composition of the Audit Committee is in compliance with the requirements of Section 177 of the Companies Act and Regulation 18 of SEBI LODR Regulations.

34. PARTICULARS OF EMPLOYEES:

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Companies Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been appended as Annexure VII to this Report. The information required pursuant to Section 197 of the Companies Act read with Rule 5(2)&(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is available for inspection by the Members at registered office of the Company during business hours on working days up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary, whereupon a copy would be sent.

35. EMPLOYEES STOCK OPTION SCHEMES:

As required in terms of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, the disclosure relating to Godrej Properties Limited Employee Stock Grant Scheme, 2011 ("GPL ESGS") is appended as Annexure VIII to this Report.

In view of the global meltdown and lower market prices of the shares of the Company and with a view to protect the interest of the employees of the Company to whom options under Godrej Properties Limited Employee Stock Option Plan (GPL ESOP) have been vested, the exercise period for the vested options was extended to December 27, 2016 with the prior approval of Members. However, none of the employees had exercised their options till December 27, 2016, being the last date of exercise period. Accordingly, the Board terminated the GPL ESOP and all the unexercised 2,41,400 options under the GPL ESOP were rendered lapsed. The lapsed and unappropriated equity shares held by the Trustees of GPL ESOP Trust on the date of termination have been sold on the recognized stock exchanges.

36. BUSINESS RESPONSIBILITY REPORT:

The Business Responsibility Report for the financial year ended March 31, 2017 as stipulated under Regulation 34(2) of SEBI LODR Regulations is attached as part of the Annual Report.

37. AWARDS & RECOGNITIONS:

The Directors take pleasure in informing the Members that the Company, its people and projects were acknowledged with several awards and ratings during the financial year ended March 31, 2017. The details of the award received are given at page no. 8 of this Report.

38. ACKNOWLEDGMENTS:

The Directors wish to place on record their appreciation and sincere thanks to the customers, joint venture partners, shareholders, banks, financial institutions, fixed deposit holders, vendors and other associates, who through their continued support and cooperation, have helped, as partners, in the Company's progress. The 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

Pirojsha Godrej
Executive Chairman
(DIN: 00432983)

Place: Mumbai
Date : May 04, 2017

ANNEXURE I TO THE DIRECTOR'S REPORT

1. BACKGROUND AND APPLICABILITY:

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") require the top 500 listed companies (by market capitalisation) to disclose a Dividend Distribution Policy in the annual report and on the corporate website.

The Board of Directors ("Board") of Godrej Properties Limited ("Company") has adopted this Dividend Distribution Policy to comply with these requirements.

The Company currently has only one class of shares, viz. equity, for which this policy is applicable. The policy is subject to review if and when the Company issues different classes of shares.

2. DIVIDEND DISTRIBUTION PHILOSOPHY:

The Company is committed to driving superior value creation for all its stakeholders. The focus will continue to be on sustainable returns, through an appropriate capital strategy for both medium term and longer term value creation. Accordingly, the Board would continue to adopt a progressive and dynamic dividend policy, ensuring the immediate as well as long term needs of the business.

3. DIVIDEND:

Dividend represents the profit of the Company, which is distributed to shareholders in proportion to the amount paid-up on shares they hold. Dividend includes Interim Dividend.

The Dividend for any financial year shall normally be paid out of the Company profits for that year. This will be arrived at after providing for depreciation in accordance with the provisions of the Companies Act, 2013. If circumstances require, the Board may also declare dividend out of accumulated profits of any previous financial year(s) in accordance with provisions of the Act and Regulations, as applicable.

4. CIRCUMSTANCES UNDER WHICH SHAREHOLDERS CANNOT EXPECT DIVIDEND:

The Board will assess the Company's financial requirements, including present and future organic and inorganic growth opportunities and other relevant factors (as mentioned elsewhere in this policy) and declare Dividend in any financial year.

Notwithstanding the above, the shareholders of the Company may not expect Dividend under the following circumstances:

a. Whenever it undertakes or proposes to undertake a significant expansion project requiring higher allocation of capital

b. Significantly higher working capital requirements adversely impacting free cash flow

c. Whenever it undertakes any acquisitions or joint ventures requiring significant allocation of capital

d. In the event of inadequacy of profit or whenever the Company has incurred losses

5. INTERIM AND FINAL DIVIDEND:

The Board may declare one or more Interim Dividends during the year. Additionally, the Board may recommend Final Dividend for the approval of the shareholders at the Annual General Meeting. The date of the Board meeting in which the Dividend proposal will be considered, will be provided to the stock exchanges, as required by Listing Regulations.

6. FINANCIAL PARAMETERS AND OTHER INTERNAL AND EXTERNAL FACTORS THAT WOULD BE CONSIDERED FOR DECLARATION OF DIVIDEND:

- Distributable surplus available as per the Act and Regulations
- The Company's liquidity position and future cash flow needs
- Track record of Dividends distributed by the Company
- Payout ratios of comparable companies
- Prevailing Taxation Policy or any amendments expected thereof, with respect to Dividend distribution
- Capital expenditure requirements considering the expansion and acquisition opportunities
- Cost and availability of alternative sources of financing
- Stipulations/ Covenants of loan agreements
- Macroeconomic and business conditions in general
- Providing of unforeseen event and contingency with financial implications

- Any other relevant factors that the Board may deem fit to consider before declaring Dividend.

7. UTILISATION OF RETAINED EARNINGS:

Subject to applicable regulations, the Company's retained earnings shall be applied for:

- Funding inorganic and organic growth needs including working capital, capital expenditure, repayment of debt, etc.
- Buyback of shares subject to applicable limits
- Payment of Dividend in future years
- Issue of Bonus shares
- Any other permissible purpose

8. MODIFICATION OF THE POLICY:

The Management Committee of the Board of Directors is authorised to change/amend this policy from time to time at its sole discretion and/or in pursuance of any amendments made in the Companies Act, 2013, the Regulations etc.

9. DISCLAIMER:

This document does not solicit investments in the Company's securities. Nor is it an assurance of guaranteed returns (in any form), for investments in the Company's equity shares.

ANNEXURE II TO THE DIRECTORS' REPORT

Form No. MGT-9
Extract of Annual Return as on the financial year ended on March 31, 2017
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

Sr. No.		
i.	CIN	L74120MH1985PLC035308
ii.	Registration Date	8th February, 1985
iii.	Name of the Company	GODREJ PROPERTIES LIMITED
iv.	Category / Sub-Category of the Company	Public Limited Company
v.	Address of the Registered office and contact details	Godrej One, 5th Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400079 Tel.: 91-22-6169 8500 Fax: 91-22-6169 8888 Website : www.godrejproperties.com
vi.	Whether listed company (Yes / No)	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited Unit : Godrej Properties Limited Karvy Selenium Tower-B, Plot No. 31 & 32, Financial District, Gachibowli, Nanakramguda, Serilingampally, Hyderabad-500032 Email : einward.ris@karvy.com Phone : 040-6716 2222 Fax : 040-2300 1153 Website: www.karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company, on standalone basis, are as under :

Sr. No.	Name and Description of main products / services	NIC Code of the product / service	% to total turnover of the Company
1.	Construction and Real Estate Development	4100	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Godrej Industries Limited Godrej One, Pirojshanagar Eastern Express Highway, Vikhroli, Mumbai 400079	L24241MH1988PLC097781	Holding Company	56.70	2(46)
2	Godrej & Boyce Manufacturing Co. Ltd. Manufacturing Co. Limited Pirojshanagar, Vikhroli, Mumbai 400079	U28993MH1932PLC001828	Body Corporate	4.92	2(27)
3	Godrej Real Estate Private Limited*	U45200MH2007PTC168818	Subsidiary Company	100	2(87)
4	Godrej Buildcon Private Limited*	U70102MH2010PTC207957	Subsidiary Company	100	2(87)
5	Godrej Garden City Properties Private Limited*	U74900MH2011PTC213782	Subsidiary Company	100	2(87)
6	Godrej Projects Development Private Limited*	U70102MH2010PTC210227	Subsidiary Company	100	2(87)
7	Godrej Green Homes Limited*	U70200MH2013PLC251378	Subsidiary Company	100	2(87)
8	Godrej Home Developers Private Limited*	U70102MH2015PTC263223	Subsidiary Company	97.56	2(87)
9	Godrej Hillside Properties Private Limited*	U70102MH2015PTC263237	Subsidiary Company	100	2(87)
10	Godrej Investment Advisers Private Limited*	U65190MH2015PTC265708	Subsidiary Company	100	2(87)
11	Godrej Highrises Properties Private Limited*	U70200MH2015PTC266010	Subsidiary Company	100	2(87)
12	Godrej Vikhroli Properties India Limited*	U70109MH2017PLC289911	Subsidiary Company	100	2(87)
13	Godrej Residency Private Limited*	U70109MH2017PTC292515	Subsidiary Company	100	2(87)
14	Godrej Prakriti Facilities Private Limited*	U70102MH2015PTC265345	Step-down Subsidiary Company	100	2(87)
15	Godrej Genesis Facilities Management Private Limited*	U70100MH2016PTC273316	Step-down Subsidiary Company	100	2(87)

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
16	Godrej Fund Management Pte. Ltd. 8 Marina, Boulevard, #05-02, Marina Bay Financial Centre, Singapore 018981	201601870G	Step-down Subsidiary Company	100	2(87)
17	Prakritiplaza Facilities Management Private Limited*	U70109MH2016PTC284197	Step-down Subsidiary Company	100	2(87)
18	Godrej Skyline Developers Private Limited*	U45309MH2016PTC287858	Step-down Subsidiary Company	100	2(87)
19	Citystar Infraprojects Limited Godrej Waterside, Tower- II, Unit No. 109, D.P. 5, Sector- V, Salt Lake Kolkata West Bengal- 700091	U45400WB2008PLC122810	Subsidiary Company	100	2(87)
20	Godrej Realty Private Limited*	U70100MH2005PTC154268	Subsidiary Company	51	2(87)
21	Godrej Redevelopers (Mumbai) Private Limited*	U70102MH2013PTC240297	Step-down Subsidiary Company	51	2(87)
22	Godrej Landmark Redevelopers Private Limited*	U70102MH2012PTC228114	Step-down Subsidiary Company	51	2(87)
23	Wonder Space Properties Private Limited*	U70102MH2013PTC242495	Associate Company	25.10	2(6)
24	Wonder City Buildcon Private Limited*	U70100MH2013PTC247696	Associate Company	25.10	2(6)
25	Wonder Projects Development Private Limited*	U70102MH2015PTC265969	Associate Company	20	2(6)
26	Godrej Greenview Housing Private Limited*	U70102MH2015PTC264491	Associate Company	20	2(6)
27	Godrej Home Constructions Private Limited*	U70102MH2015PTC263486	Associate Company	25.10	2(6)
28	Godrej One Premises Management Private Limited*	U70102MH2015PTC266773	Associate Company	30	2(6)
29	Pearlite Real Properties Private Limited*	U45309MH2016PTC285479	Associate Company	49	2(6)
30	Godrej Real View Developers Private Limited*	U45309MH2016PTC285438	Associate Company	20	2(6)

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
31	Mosiac Landmark LLP*	AAA-5797	Body Corporate	1.0	2(27)
32	Dream World Landmarks LLP*	AAA-8207	Body Corporate	40	2(27)
33	Oxford Realty LLP*	AAC-1059	Body Corporate	35	2(27)
34	Godrej SSPDL Green Acres LLP*	AAA-5137	Body Corporate	37	2(27)
35	M S Ramaiah Ventures LLP* 80, Hulkul Ascent, 2nd Cross, Lavelle Road, Bangalore, Karnataka- 560001	AAC-2431	Body Corporate	49.50	2(27)
36	Oasis Landmarks LLP*	AAC-4016	Body Corporate	38	2(27)
37	Godrej Housing Projects LLP*	AAD-0883	Body Corporate	50	2(27)
38	Godrej Construction Projects LLP*	AAD-0882	Body Corporate	34	2(27)
39	Amitis Developers LLP 10/1C, Diamond Harbour Road, Kolkata, West Bengal, 700027	AAD-1617	Body Corporate	46	2(27)
40	Caroa Properties LLP*	AAA-8234	Body Corporate	35	2(27)
41	Godrej Property Developers LLP*	AAA-4369	Body Corporate	32	2(27)
42	Godrej Land Developers LLP*	AAD-7998	Body Corporate	100	2(27)
43	Godrej Developers & Properties LLP*	AAD-7997	Body Corporate	100	2(27)
44	Godrej Highrises Realty LLP*	AAD-7994	Body Corporate	34	2(27)
45	Godrej Project Developers & Properties LLP*	AAE-1835	Body Corporate	51	2(27)
46	A R Landcraft LLP UM House, 3rd Floor, Plot No. 35p, UM House, Sector 44 Gurgaon - 122002	AAF-6499	Body Corporate	29	2(27)

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
47	Godrej Highview LLP*	AAH-5060	Body Corporate	100	2(27)
48	Godrej Green Properties LLP*	AAH-7127	Body Corporate	100	2(27)
49	Godrej Skyview LLP*	AAH-6366	Body Corporate	100	2(27)
50	Prakhhyat Dwellings LLP*	AAE-2222	Body Corporate	42.5	2(27)
51	Bavdhan Realty @ Pune 21 LLP*	AAH-6993	Body Corporate	45	2(27)
52	Godrej Projects (Pune) LLP*	AAI-4645	Body Corporate	100	2(27)
53	Godrej Projects (Soma) LLP*	AAI-7488	Body Corporate	100	2(27)
54	Godrej Projects (Bluejay) LLP*	AAI-7141	Body Corporate	100	2(27)
55	Godrej Century LLP*	AAI-8236	Body Corporate	100	2(27)
56	Godrej Athenmark LLP**	AAJ-2145	Body Corporate	100	2(27)
57	Godrej Vestamark LLP**	AAJ-2144	Body Corporate	100	2(27)
58	Godrej Irismark LLP**	AAJ-2172	Body Corporate	100	2(27)
59	Godrej Avamark LLP**	AAJ-2162	Body Corporate	100	2(27)

*Registered Office Address – Godrej One, 5th Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400079

** LLP's Incorporated on April 02, 2017

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Share Holding

Category of shareholders	No. of Shares held at the beginning of the year (April 01, 2016)				No. of Shares held at the end of the year (March 31, 2017)				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters & Promoter Group									
(1) Indian									
Individual/HUF	1,99,32,144	-	1,99,32,144	9.22	1,99,32,144	-	1,99,32,144	9.21	-0.01
Central Govt.	-	-	-	-	-	-	-	-	
State Govt.(s)	-	-	-	-	-	-	-	-	
Bodies Corp.	14,21,54,926	-	14,21,54,926	65.73	14,21,54,926	-	14,21,54,926	65.70	-0.03
Banks / FI	-	-	-		-	-	-		
Any Other	-	-	-		-	-	-		
Sub-total (A)(1)	**16,20,87,070**	**-**	**16,20,87,070**	**74.95**	**16,20,87,070**	**-**	**16,20,87,070**	**74.91**	**-0.04**
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	
b) Other – Individuals	-	-	-	-	-	-	-	-	
Bodies Corp.	-	-	-	-	-	-	-	-	
Banks / FI	-	-	-	-	-	-	-	-	
Any Other	-	-	-	-	-	-	-	-	
Sub-total (A)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**16,20,87,070**	**-**	**16,20,87,070**	**74.95**	**16,20,87,070**	**-**	**16,20,87,070**	**74.91**	**-0.04**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	1,46,514	-	1,46,514	0.07	60,60,067	-	60,60,067	2.80	2.73
b) Banks / FI	91,664	-	91,664	0.04	95,325	-	95,325	0.04	0.00
c) Central Govt.	-	-	-	-	-	-	-	-	
d) State Govt.(s)	-	-	-	-	-	-	-	-	
e) Venture Capital Funds	-	-	-	-	-	-	-		
f) Insurance Companies	-	-	-	-	-	-	-	-	
g) FIIs/ FPIs	1,76,39,062	-	1,76,39,062	8.16	1,92,36,817		1,92,36,817	8.89	0.73
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	
i) Others - Qualified Foreign Investor	-	-	-	-	-	-	-	-	
Sub-total (B)(1)	**1,78,77,240**	**-**	**1,78,77,240**	**8.27**	**2,53,92,209**	**-**	**2,53,92,209**	**11.74**	**3.47**

Category of shareholders	No. of Shares held at the beginning of the year (April 01, 2016)				No. of Shares held at the end of the year (March 31, 2017)				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
2. Non-Institutions									
a) Bodies Corp.	87,45,313	-	87,45,313	4.04	46,94,621	-	46,94,621	2.17	-1.87
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	1,20,07,418	51,268	1,20,58,686	5.58	1,10,89,530	46,218	1,11,35,748	5.15	-0.43
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1,30,49,503	-	1,30,49,503	6.03	1,20,21,483	-	1,20,21,483	5.56	-0.47
c) Others (specify)									
Non-Resident Individuals/ Non Repatriation	11,15,493	-	11,15,493	0.52	7,64,522	-	7,64,522	0.35	-0.17
Clearing Members	50,439	-	50,439	0.02	1,36,914	-	1,36,914	0.06	0.04
Trust	9,87,510	-	9,87,510	0.46	-	-	-	-	-0.46
NBFC	2,89,112	-	2,89,112	0.13	1,32,125	-	1,32,125	0.06	-0.07
Sub-total (B)(2)	**3,62,44,788**	**51,268**	**3,62,96,056**	**16.78**	**2,88,39,195**	**46,218**	**2,88,85,413**	**13.35**	**3.43**
Total Public Shareholding (B) = (B)(1)+(B)(2)	**5,41,22,028**	**51,268**	**5,41,73,296**	**25.05**	**5,42,31,404**	**46,218**	**5,42,77,622**	**25.09**	**0.04**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**21,62,09,098**	**51,268**	**21,62,60,366**	**100**	**21,63,18,474**	**46,218**	**21,63,64,692**	**100**	**-**

(ii) Shareholding of Promoters :

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (April 01, 2016)			Shareholding at the end of the year (March 31, 2017)			% change in share--holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Godrej Industries Limited	12,26,81,066	56.73	-	12,26,81,066	56.70	-	*0.32
2.	Godrej & Boyce Manufacturing Co. Ltd	1,06,50,688	4.92	-	1,06,50,688	4.92	-	-
3.	Godrej Investments Private Limited	74,40,862	3.44	-	-	-	-	-3.44
4.	Innovia Multiventures Private Limited	-	-	-	74,40,862	3.44	-	3.44
5.	Nadir Barjorji Godrej	39,86,430	1.84	-	39,86,430	1.84	-	-
6.	Rishad Kaikhushru Naoroji	39,86,430	1.84	-	30	0.00	-	-1.84
7.	Rishad Kaikhushru Naoroji (as a partner of RKN Enterprises)	0	-	-	39,86,400	1.84	-	1.84
8.	Freyan Vijay Crishna	20,81,516	0.96	-	20,81,516	0.96	-	-
9.	Navroze Jamshyd Godrej	20,81,516	0.96	-	20,81,516	0.96	-	-
10.	Jamshyd Naoroji Godrej, Pheroza Jamshyd Godrej & Navroze Jamshyd Godrej	19,04,912	0.88	-	19,04,912	0.88	-	-
11.	Nyrika Vijay Crishna	19,04,912	0.88	-	19,04,912	0.88	-	-
12.	Ensemble Holdings and Finance Ltd.	13,82,310	0.64	-	13,82,310	0.64	-	-
13.	Tanya Arvind Dubash	13,28,824	0.61	-	13,28,824	0.61	-	-
14.	Nisaba Adi Godrej	13,28,802	0.61	-	13,28,802	0.61	-	-
15.	Pirojsha Adi Godrej	13,28,802	0.61	-	13,28,802	0.61	-	-

* Change in percentage of shareholding is due to increase in Paid up Capital of the Company.

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Particulars	Shareholding at the beginning of the year (April 01, 2016)		Cumulative Shareholding during the year (March 31, 2017)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year	16,20,87,070	74.95		
	Date wise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	39,86,400 (December 20, 2016 inter-se transfer)	1.84	16,20,87,070	74.95
		74,40,862 (March 29, 2017 inter-se transfer)	3.44	16,20,87,070	74.95
	At the end of the year	16,20,87,070	74.95	16,20,87,070	74.91

Sr. No.	Particulars	Shareholding at the beginning of the year (April 01, 2016)					Cumulative Shareholding during the year (March 31, 2017)	
		No. of Shares	% of total Shares of the Company	Date	Increase/ decrease in shareholding	Reason	No. of Shares	% of total Shares of the Company
1.	Godrej Investments Private Limited	74,40,862	3.44	29.03.2017	(74,40,862)	Inter-se Transfer	0	-
	At the end of the year						0	-
2.	Innovia Multiventures Private Limited	-	-	29.03.2017	74,40,862	Inter-se Transfer	74,40,862	3.44
	At the end of the year						74,40,862	3.44
3.	Rishad Kaikhushru Naoroji	39,86,430	1.84	20.12.2016	(39,86,400)	Inter-se Transfer	30	-
	At the end of the year						30	-
4.	Rishad Kaikhushru Naoroji (as partner of RKN Enterprises)	0	-	20.12.2016	39,86,400	Inter-se Transfer	39,86,400	1.84
	At the end of the year						39,86,400	1.84

(vi) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year(01/04/16 to 31/03/17)	
		No. of Shares at the beginning (01/04/16)/ end of the year (31/03/17)	% of total shares of the company				No. of Shares	% of total shares of the Company
1	Franklin Templeton Investment Funds	0	0.00	1-Apr-16				
				21-Oct-16	111000	Bought	111000	0.05
				11-Nov-16	534000	Bought	645000	0.30
				18-Nov-16	1006800	Bought	1651800	0.76
				16-Dec-16	24000	Bought	1675800	0.77
				23-Dec-16	620400	Bought	2296200	1.06
				30-Dec-16	2400	Bought	2298600	1.06
				3-Feb-17	8116	Bought	2306716	1.07
		2306716	1.07	31-Mar-17	0		2306716	1.07
2	Goldman Sachs India Fund Limited	1271908	0.59	1-Apr-16				
				24-Mar-17	34,901	Bought	1306809	0.60
				31-Mar-17	698971	Bought	2005780	0.93
		2005780	0.93	31-Mar-17	0		2005780	0.93
3	First State Investments ICVC-Stewart Investors Asia Pacific Fund	1272665	0.59	1-Apr-16				
				9-Dec-16	551934	Bought	1824599	0.84
				30-Dec-16	74107	Bought	1898706	0.88
				6-Jan-17	8841	Bought	1907547	0.88
		1907547	0.88	31-Mar-17	0		1907547	0.88
4	The Wellington Trust Company, National Association Multiple Collective Investment Funds Trust, Opportunistic Equity Portfolio	0	0.00	1-Apr-16	0		0	
				23-Sep-16	19468	Bought	19468	0.01
				30-Sep-16	106469	Bought	125937	0.06
				7-Oct-16	148659	Bought	274596	0.13
				14-Oct-16	24661	Bought	299257	0.14
				21-Oct-16	137502	Bought	436759	0.20
				11-Nov-16	242376	Bought	679135	0.31
				18-Nov-16	735694	Bought	1414829	0.65
				25-Nov-16	63989	Bought	1478818	0.68
				2-Dec-16	66464	Bought	1545282	0.71
				9-Dec-16	61826	Bought	1607108	0.74
				16-Dec-16	21697	Bought	1628805	0.75
				23-Dec-16	5000	Bought	1633805	0.76
				6-Jan-17	14805	Bought	1648610	0.76
				20-Jan-17	38732	Bought	1687342	0.78
				27-Jan-17	7000	Bought	1694342	0.78
				3-Feb-17	7181	Bought	1701523	0.79
				3-Mar-17	144420	Sold	1557103	0.72
		1557103	0.72	31-Mar-17	0		1557103	0.72

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year(01/04/16 to 31/03/17)	
		No. of Shares at the beginning (01/04/16)/ end of the year (31/03/17)	% of total shares of the company				No. of Shares	% of total shares of the Company
5	L & T Mutual Fund Trustee Ltd-L & T India Prudence Fund	0	0.00	1-Apr-16				
				3-Mar-17	1134000	Bought	1134000	0.52
				17-Mar-17	358200	Bought	1492200	0.69
		1492200	0.69	31-Mar-17	0		1492200	0.69
6	ICICI Prudential Balanced Advantage Fund	0	0.00	1-Apr-16				
				30-Jun-16	302734	Bought	302734	0.14
				16-Sep-16	1000000	Bought	1302734	0.60
				30-Sep-16	4957	Bought	1307691	0.60
				7-Oct-16	130896	Bought	1438587	0.66
				6-Jan-17	19054	Bought	1457641	0.67
		1457641	0.67	31-Mar-17	0		1457641	0.67
7	MP Jain	1175229	0.54	1-Apr-16				
				4-Nov-16	30532	Bought	1205761	0.56
				11-Nov-16	49404		1255165	0.58
				18-Nov-16	8043		1263208	0.58
		1263208	0.58	31-Mar-17	0		1263208	0.58
8	Bayvk A2 Fonds *	0	0.00	1-Apr-16				
				29-Jul-16	793157	Bought	793157	0.37
				12-Aug-16	272161	Bought	1065318	0.49
				11-Nov-16	106680	Bought	1171998	0.54
				18-Nov-16	8208	Bought	1180206	0.55
				20-Jan-17	31579	Bought	1211785	0.56
				27-Jan-17	8195	Bought	1219980	0.56
				3-Feb-17	7746	Bought	1227726	0.57
				10-Feb-17	169831	Bought	1397557	0.65
				31-Mar-17	139755	Sold	1257802	0.58
		1257802	0.58	31-Mar-17	0		1257802	0.58

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year(01/04/16 to 31/03/17)	
		No. of Shares at the beginning (01/04/16)/ end of the year (31/03/17)	% of total shares of the company				No. of Shares	% of total shares of the Company
9	Skandia Asien*	0	0.00	1-Apr-16				
				22-Apr-16	156643	Bought	156643	0.07
				29-Apr-16	173584	Bought	330227	0.15
				6-May-16	97834	Bought	428061	0.20
				10-May-16	32209	Bought	460270	0.21
				15-Jul-16	117120	Bought	577390	0.27
				22-Jul-16	143486	Bought	720876	0.33
				12-Aug-16	227956	Bought	948832	0.44
				11-Nov-16	59981	Bought	1008813	0.47
				18-Nov-16	4569	Bought	1013382	0.47
				30-Dec-16	8286	Bought	1021668	0.47
				6-Jan-17	5994	Bought	1027662	0.47
				20-Jan-17	25936	Bought	1053598	0.49
				3-Feb-17	5307	Bought	1058905	0.49
				10-Feb-17	121356	Bought	1180261	0.55
				10-Mar-17	57684	Bought	1237945	0.57
				31-Mar-17	123794	Sold	1114151	0.51
		1114151	0.51	31-Mar-17	0		1114151	0.51
10	The Scottish Oriental Smaller Companies Trust PLC	1203588	0.56	1-Apr-16				
				12-Aug-16	36656	Sold	1166932	0.54
				23-Sep-16	84599	Bought	1251531	0.58
				3-Feb-17	76771	Sold	1174760	0.54
				10-Feb-17	70165	Sold	1104595	0.51
		1104595	0.51	31-Mar-17			1104595	0.51

* Not in the list of Top 10 shareholders as on 01-04-2016. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31-03-2017

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For each of the directors and KMP	Shareholding at the beginning of the year (April 01, 2016)		Cumulative Shareholding during the year (March 31, 2017)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	**Mr. Adi B. Godrej – Chairman**				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year	Nil	0.00	Nil	0.00
2.	**Mr. Jamshyd N. Godrej - Non Executive Director**				
	At the beginning of the year	19,04,912	0.88	19,04,912	0.88
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year	19,04,912	0.88	19,04,912	0.88
3.	**Mr. Nadir B. Godrej – Non Executive Director**				
	At the beginning of the year	39,86,430	1.84	39,86,430	1.84
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year	39,86,430	1.84	39,86,430	1.84
4.	**Mr. Pirojsha Godrej – Managing Director & Chief Executive Officer**				
	At the beginning of the year	13,28,802	0.61	13,28,802	0.61
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year	13,28,802	0.61	13,28,802	0.61
5.	**Mr. Amit B. Choudhury – Independent Director**				
	At the beginning of the year	3,850	0.002	3,850	0.002
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year	3,850	0.002	3,850	0.002

Sr. No.	For each of the directors and KMP	Shareholding at the beginning of the year (April 01, 2016)		Cumulative Shareholding during the year (March 31, 2017)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
6.	**Mr. Keki B. Dadiseth – Independent Director**				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year	Nil	0.00	Nil	0.00
7.	**Mrs. Lalita D. Gupte – Independent Director**				
	At the beginning of the year	14,000	0.007	14,000	0.007
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year	14,000	0.007	14,000	0.007
8.	**Mr. Pranay D. Vakil – Independent Director**				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year	Nil	0.00	Nil	0.00
9.	**Dr. Pritam Singh– Independent Director**				
	At the beginning of the year	2,000	0.001	2,000	0.001
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year	2,000	0.001	2,000	0.001
10.	**Mr. S. Narayan – Independent Director**				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year	Nil	0.00	Nil	0.00
11.	**Mr. Amitava Mukherjee – Independent Director**				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year	Nil	0.00	Nil	0.00

Sr. No.	For each of the directors and KMP	Shareholding at the beginning of the year (April 01, 2016)		Cumulative Shareholding during the year (March 31, 2017)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
12.	**Mr. Mohit Malhotra – Executive Director**				
	At the beginning of the year	17,813	0.008	17,813	0.008
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	13,943 (04/07/2016 – Allotment under GPL ESGS)	0.006	31,756	0.015
		(10000) (30/06/2016 – Sale of shares)	0.004	21,756	0.010
	At the end of the year			21,756	0.010
13.	**Mr. Rajendra Khetawat – Chief Financial Officer**				
	At the beginning of the year	16,818	0.008	16,818	0.008
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	(1,000) (30/06/2016 – Sale of shares)	0.0004	15,818	0.007
		7,877 (04/07/2016 – Allotment under GPL ESGS)	0.004	23,695	0.011
		(100) (10/02/2017 – Sale of shares)	0.00005	23,595	0.011
		(300) (24/02/2017 – Sale of shares)	0.0001	23,295	0.011
		(400) 24/03/2017 – Sale of shares)	0.002	22,895	0.011
		(200) (31/03/2017 – Sale of shares)	0.00009	22,695	0.010
	At the end of the year			22,695	0.010
14.	**Mr. Surender Varma – Company Secretary and Chief Legal Officer**				
	At the beginning of the year	768	0.0003	768	0.0003
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	1,698 (04/07/2016 – Allotment under GPL ESGS)	0.0008	2,466	0.001
		768 (08/12/2016 – Allotment under GPL ESGS)	0.0003	3,234	0.001
	At the end of the year			3,234	0.001

V. INDEBTEDNESS :

Indebtedness of the Company including interest outstanding / accrued but not due for payment

Amount in ₹

Particulars	Secured Loans (excluding deposits)	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	12,717,196,553	15,090,964,767	-	27,808,161,320
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	45,919,178	10,639,937	-	56,559,115
Total (i+ii+iii)	12,763,115,731	15,101,604,704	-	27,864,720,435
Change in Indebtedness during the financial year				
Addition	293,682,881,192	87,963,201,502	-	381,646,082,693
Reduction	-293,795,789,646	-78,947,728,037	-	-372,743,517,682
Net Change	587,478,670,837	166,910,929,538	-	754,389,600,376
Indebtedness at the end of the financial year				
i) Principal Amount	12,604,288,099	24,106,652,299	-	36,710,940,398
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	19,287,671	149,133,291	-	168,420,962
Total (i+ii+iii)	12,623,575,770	24,255,785,590	-	36,879,361,360

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Amount in ₹

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. Pirojsha Godrej, (Managing Director & Chief Executive Officer)	Mr. Mohit Malhotra (Executive Director)	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	21,676,356	22,601,832	44,278,188
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	17,730,992	2,639,285	20,370,277
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	0	0	0
2.	Stock Option ESGS	-	5,673,080	5,673,080
3.	Sweat Equity	NA	NA	NA
4.	Commission - as % of profit - others, specify…	0	0	0
5.	Others, please specify (Provident Fund, Provision of Performance Bonus for 2016-17 & Gratuity)	1,064,448 9,000,000	744,073 4,800,000	1,808,521 13,800,000
	Total (A)	**49,471,796**	**36,458,270**	**85,930,066**
	Ceiling as per the Act	₹ 109,680,635 (being 10% of the Net Profits of the company calculated as per Section 198 of the Companies Act, 2013)		

B. REMUNERATION TO OTHER DIRECTORS:

Amount in ₹

Sr No.	Particulars of Remuneration	Name of Director							Total Amt
1.	**Independent Directors**	**Mr. Keki B. Dadiseth**	**Mrs. Lalita D. Gupte**	**Mr. Amit B. Choudhury**	**Mr. Pranay D. Vakil**	**Dr. Pritam Singh**	**Mr. S. Narayan**	**Mr. Amitava Mukherjee**	
a.	Fee for attending board / committee meetings	1,300,000	1,300,000	1,340,000	1,300,000	1,300,000	900,000	1,300,000	**8,740,000**
b.	Commission*	650,000	650,000	650,000	650,000	650,000	650,000	650,000	**4,550,000**
	Others, please specify	-	-	-	-	-	-	-	**-**
	Total (1)	**1,950,000**	**1,950,000**	**1,990,000**	**1,950,000**	**1,950,000**	**1,550,000**	**1,950,000**	**13,290,000**
2.	**Other Non-Executive Directors**	**Mr. Adi Godrej**	**Ms. Parmeshwar Godrej**	**Mr. Jamshyd Godrej**	**Mr. Nadir Godrej**				
a.	Fee for attending board / committee meetings	400,000	100,000	300,000	400,000				**1,200,000**
b.	Commission*	650,000	-	650,000	650,000				**1,950,000**
	Others, please specify	-	-	-	-				**-**
	Total (2)	**1,050,000**	**100,000**	**950,000**	**1,050,000**				**3,150,000**
	Total (B)=(1b+2b)								**6,500,000**
	Total Managerial Remuneration (A+B)								**16,440,000**
	Overall Ceiling as per the Act (%)	₹ 1,09,68,064 (being 1% of the Net Profits of the company calculated as per Section 198 of the Companies Act, 2013							

*Commission for the Financial Year 2016-17 is paid in the Financial Year 2017-18

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD :

Amount in ₹

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Chief Financial Officer (Mr. Rajendra Khetawat)	Company Secretary (Mr. Surender Varma)	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	13,116,799	10,807,149	23,923,948
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	1,290,356	675,462	1,965,818
	(c) Profits in lieu of salary under section 17(3) of th Income-tax Act, 1961	0	0	0
2.	Stock Option	2,513,186	1,309,783	3,822,969
3.	Sweat Equity	NA	NA	NA
4.	Commission - as % of profit - others, specify…	0	0	0
5.	Others, please specify (Provident Fund)	446,687	454,633	901,320
	Provision of Performance Bonus for 2016-17	2,500,000	1,600,000	4,100,000
	Total	**19,867,028**	**14,847,027**	**34,714,055**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES : NOT APPLICABLE

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A.	**COMPANY**				
Penalty	None	None	None	None	None
Punishment	None	None	None	None	None
Compounding	None	None	None	None	None
B.	**DIRECTORS**				
Penalty	None	None	None	None	None
Punishment	None	None	None	None	None
Compounding	None	None	None	None	None
C.	**OTHER OFFICERS IN DEFAULT**				
Penalty	None	None	None	None	None
Punishment	None	None	None	None	None
Compounding	None	None	None	None	None

ANNEXURE III TO THE DIRECTORS' REPORT

NOMINATION & REMUNERATION POLICY

(DIRECTORS, KMP & SENIOR MANAGEMENT)

INTRODUCTION

In pursuance of the Company's philosophy to consider its employees as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and, in terms of the provisions of the Companies Act, 2013, this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination & Remuneration Committee and approved by the Board of Directors.

OBJECTIVE

The objective and purpose of the Policy are as given below:

1. To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
2. To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
3. To provide them reward linked directly to their effort, performance, dedication and achievement of Organization's goals as entrusted on them.
4. To retain, motivate and promote talent and to ensure long term retention of talented managerial persons and create competitive advantage.

In the context of the aforesaid objectives the following policy has been framed and recommended by the Nomination & Remuneration Committee jointly with the Human Resources Department of the Company and adopted by the Board of Directors at its meeting held on 2nd August, 2014.

DEFINITIONS

1. Board means Board of Directors of the Company.
2. Directors means Directors of the Company.
3. Committee means Nomination & Remuneration Committee of the Company as constituted or reconstituted by the Board.
4. Company means Godrej Properties Limited
5. Independent Director means a director referred to in Section 149 (6) of the Companies Act, 2013.
6. Key Managerial Personnel (KMP) means-
    1. Executive Chairman and / or Managing Director;
    2. Whole-time Director;
    3. Chief Financial Officer;
    4. Company Secretary;
    5. Such other officer as may be prescribed under the applicable statutory provisions / regulations.
    6. Senior Management
    7. Senior Management means personnel of the Company occupying the position of Chief Executive Officer, Chief Operating Officer, Executive Vice President or Vice President of any unit / division of the Company. Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

This Policy is divided in two parts: Part – A covers the appointment and nomination and Part – B covers remuneration and perquisites etc.

PART – A

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

APPOINTMENT

1. The candidate for a position at Director, KMP or Senior Management level is met by the Head HR and the Director to whom the position reports into. The interview is targeted at assessing the candidate on his/ her functional & leadership capabilities and cultural fitment to the organization.
2. The MD assesses the shortlisted candidates.
3. The candidate selected through the above rounds is met by the Group Corporate HR for fitment to the GILAC group values and leadership capability requirements.

   The selected candidate's details and the proposed compensation is shared with the Nomination & Remuneration Committee for their review and suggestions. The same is shared with the Board at the next board meeting.

TERM/ TENURE

The tenure for Directors shall be Company governed by the terms defined in the Companies Act, 2013.

However, the tenure for other KMP and Senior Management Personnel will be governed by GPL HR policy.

EVALUATION

The performance of the whole-time Director, KMP and Senior Management Personnel is evaluated at regular intervals (half yearly/ yearly) by the whole-time Directors/ Managing Director, as applicable.

The performance evaluation of Independent Directors shall be done by the Board, excluding the Director being evaluated, basis the contributions made to the Board deliberations on various matters including business strategy, financial strategy, operations, cost and risk management, etc., and suggestions given in this regard.

REMOVAL

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Managing Director may recommend, to the Committee and the Board with reasons recorded in writing, removal of a Director, subject to the provisions and compliance of the said Act, rules and regulations.

For other KMP or Senior Management Personnel, the removal will be governed by GPL HR policy and the subsequent approval of the Managing Director.

RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Managing Director will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

PART – B

POLICY RELATING TO EVALUATION AND REMUNERATION OF THE WHOLE-TIME DIRECTORS, KMP AND SENIOR MANAGEMENT PERSONNEL

EVALUATION PROCESS:

A Three Point Rating scale for performance review of Executive Director, KMP, and Senior Management is be followed:

1. Rating on Basic Job Responsibilities: Indicating whether the basic job responsibilities have been met during the year.
2. Rating on Goals: Annual rating on each goal on a five-point scale. Weighted average of the ratings is calculated to arrive at a 'Weighted Goal Score'.
3. Rating on GCF: The qualitative aspects of the performance is assessed using the Godrej Capabilities Factors (GCF) by the supervisor on a five-point scale.

Based on a holistic view of the Three Point Rating, the supervisor provides an overall Rating. This rating is reviewed by the Managing Director who does a Qualitative review of the performance based on the efforts put in by the employee, results achieved and impact of the external and internal factors, to arrive at a 'Final Annual Rating'.

The revision in the total remuneration is directly linked to the 'Final Annual Rating' for all employees.

1. The remuneration/ compensation/ commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Managing Director

in accordance with the HR policy, which is based upon the Final Annual Rating, employee potential and market benchmark compensation. The revised remuneration is shared with the Nomination & Remuneration Committee for review.

2. The company stock options granted under the Employee Stock Grant Scheme to the Whole-time Director and Senior Management Personnel will be determined by the Managing Director as per the ESGS guidelines and recommended to the Committee and the Board for approval in the subsequent board meeting.

3. The remuneration/ compensation/ commission etc. shall be subject to the prior/ post approval of the shareholders of the Company and Central Government, wherever required.

4. The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules made thereunder.

5. Increments to the existing remuneration/ compensation structure may be recommended by the Managing Director to the Committee and the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director. Increments will be effective from 1st April in respect of a Whole-time Director and other employees of the Company.

6. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employee for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

ANNEXURE IV TO THE DIRECTORS' REPORT

INFORMATION PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT, 2013, READ WITH THE RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 IN RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. CONSERVATION OF ENERGY

I. (A) Steps taken for conservation of energy:

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 "Silver" certification under the relevant rating system specified by IGBC. From the Project inception stage, through design and execution, to post-occupancy the Company 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 equipment – 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. Encouraging occupants to lead a greener lifestyle by using high efficiency ACs and refrigerators (BEE 5 star rated) through a formal handover event.

II. Steps taken by the Company for utilizing alternate sources of energy:

GPL ensures that all projects are green building certified. As part of the green building, we often integrate solar energy for the development. Two of our sites are using solar energy during the construction process to offset the carbon emissions of the projects' construction process. As per the new amendment in IGBC Green Homes, the requirement of Renewable Energy requires it to meet 2.5% to 7.5% of the common lighting demand. This makes it more feasible for us to incorporate this in future projects.

III. Capital Investment on Energy Conservation Equipment:

There was no capital investment made on energy conservation equipments during the year under review.

B. TECHNOLOGY ABSORPTION

I. The efforts made towards technology absorption:

(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.
- Operational energy consumption and performance indicators are being monitored for all projects i.e. annual energy consumption per square foot of saleable area for all in-construction projects and for GPL administrative offices

II. The benefits derived like product improvement, cost reduction, product development or import substitution:

- Operational cost reductions due to the green building guidelines being followed
- Healthier environment for the residents with Low VOC paints and enhanced daylighting

III. Information regarding imported technology (imported during last 3 years):

The Company has not imported any technology since incorporation

IV. Expenditure incurred on Research & Development: Nil

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the financial year 2016-17, expenditure in foreign currencies in terms of actual outflow amounted to ₹ 7.87 Crore (Previous Year ₹ 4.76 Crore) on account of professional & consultation fees and expenses incurred for business promotion. The Company has not earned any foreign exchange during the year.

ANNEXURE V TO THE DIRECTORS' REPORT

Annual Report on Corporate Social Responsibility Activities as prescribed under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014

1. GOAL OF CSR REPORTING

At Godrej Properties Limited's (GPL), we aspire to be a forerunner in sustainability through leadership commitment, multiple stakeholder engagement, and disciplined value chain mechanisms. Our holistic approach towards sustainability not only manages our externalities but also integrates the prevalent social and environmental issues into business strategies to provide tangible solutions, which benefit the underserved communities and deliver competitive advantage to the business.

Our strategic Corporate Social Responsibility (CSR) projects, undertaken as part of our overall sustainability framework, actively work towards the Godrej Group's Good & Green goals and have helped us carve out a reputation for being one of the most committed and responsible companies in the industry.

This annual CSR report will endeavor to provide comprehensive and easy to understand information about our CSR philosophy and activities of the company. In this direction, the annual CSR report will act as a means to convey the message of inclusive growth and development to all our stakeholders.

2. CSR REPORT FRAMEWORK

2.1 Outline of CSR Policy

At GPL, our CSR policy applies to all activities that are undertaken as part of our Good & Green CSR program & hence is titled, "Good & Green CSR Policy for Godrej Properties Limited". This policy will be further reviewed, developed and updated in reference to relevant codes of corporate governance, industrial trends and international standards and best practices.

GPL classifies those projects as CSR, which are over and above our normal course of business. This policy fulfils the requirements of the CSR rules as per the Section 135 of the Companies Act, 2013.

CSR policy is stated herein below:

https://www.godrejproperties.com/pdf/CSR_Policy.pdf

2.2 CSR Committee Composition

2.2.1 Management Members

This committee comprises of

1. Mr. Pirojsha Godrej
2. Mr. Mohit Malhotra
3. Mr. Amit B. Choudhary

2.2.2 Responsibilities

1. Formulate and update GPL's CSR Policy, which will be approved by the Board of GPL
2. Suggest areas of intervention to the Board of GPL
3. Approve projects that are in line with the CSR policy
4. Put monitoring mechanisms in place to track the progress of each project
5. Recommend the CSR expenditure to the Board of GPL, for approval
6. Meet twice a year to review the progress made

2.2.3 Executive Committee Members

This committee will be responsible for carrying out the day-to-day operations for CSR & they will report to the CSR management committee.

Members of this committee

1. Dr. Vikas Goswami (Chairperson) - Head of GILAC Good & Green
2. Mr. Anubhav Gupta- Head of Green & Sustainability, GPL
3. Ms. Ruhie Pande- Head of Good, GPL
4. Mr. Rajendra Khetawat- CFO, GPL

2.3 CSR Budget and Expenditure

1.	Average net profit of last 3 years:	₹ 64.6 Crores
2.	Calculated 2% spend for the current financial year:	₹ 1.29 Crores
3.	Amount spent during the current financial year:	₹ 1.29 Crores
4.	Amount unspent of the recommended 2% budget, if any:	₹ 0.00

2.4 Compliance Report

Details of the CSR expenditures incurred by GPL during the current financial year 2016-2017 has been depicted in the table given below:

₹ In lakhs

Sr. No.	CSR project or activity	Sector in which the project is covered	Location of projects or programmes 1. Local area or Other 2. District (State) 3. Projects or programmes	Amount outlay (budget)project or programme wise (INR)	Amt spent on projects, 1) Direct expenditure (INR) 2)Overheads (INR)	Cumulative expenditure upto the reporting period (INR)	Amout spent direct or through the implementing agency (Amount spent; Implementing agency name; Legal structure of the agency; Date of establishment of implementing agency)
1	Nipun - Skill Enhancement Training for construction and related trades	Employment enhancing vocational skills	Gurgaon (Haryana) Rohtak (Haryana) Bangalore (Karnataka) Kolkata (West Bengal) Pune (Maharashtra) Mumbai (Maharashtra) Ahmedabad (Gujarat) Kheda (Gujarat) Chennai (Tamil Nadu) Raibareli (UP) Silvassa (Dadra and Nagar Haveli) Indore (MP) Jabalpur (MP) Palamu (Jharkhand) Dumka (Jharkhand) Koderma (Jharkhand) Hazaribagh (Jharkhand) Simdega (Jharkhand) Jamshedpur (Jharkhand) Sarikela (Jharkhand) Purnea (Bihar) Bundu (Jharkhand) Jajpur (Odisha) Hanumanthai (Tamil Nadu)	128.00 Lac	1. Direct Expenditure- 128.00 Lac 2. Overheads-NIL	128.00 Lac	Direct Implementation: 40.38 Lac Implementing Agencies: 10.00 Lac; Sambhav Foundation; Registered Foundation; 2006 21.11 Lac; Pipal Tree Foundation; Section 25; 2011 18.00Lac; Lok Bharti Education Society; Registered Society; 1993 18.00 Lac; PanIIT Alumni Reach for India Foundation; Section 25; 2009 2.50 Lac; SRIMS Emergency Service Foundation; Section 25; 2009 14.00 Lac; Pratham Education Foundation; Charitable Trust; 2002 4.00 Lac; Villgro Innovations Foundation; Section 25; 2001
2	Supporting Research in pulmonary healthcare	Eradicating hunger, poverty and malnutrition, **promoting preventive health care** and sanitation and making available safe drinking water:	Kolkata (West Bengal)	1.00 Lac	1.Direct Expenditure- 1.00 Lac 2. Overheads-NIL	1.00 Lac	1.00 Lac; Institute of Pulmocare & Research; Registered Society; 2000

2.5 Reasons for shortfall from prescribed 2% spend

Godrej Properties Limited has spent the complete CSR budget for FY 2016-17 towards various CSR projects as detailed in the previous sections.

2.6 Responsibility Statement

Through this report, Godrej Properties Limited seeks to communicate its commitment towards Corporate Social Responsibility (CSR) to the Ministry of Corporate Affairs. The Board of the company and the CSR Committee are responsible for the integrity and the objectivity of all the information provided in this report. In alignment with our Good & Green vision provided in our CSR Policy, all projects reported have been selected based on careful consideration of the extent to which they create sustainable positive societal and environmental outcomes. We have undertaken measures to ensure that these projects are implemented in an effective and efficient manner so that they are able to deliver maximum potential impact. In line with the requirements of the Companies Act, 2013, we have also instituted monitoring mechanisms to track the progress of projects and ensure their smooth implementation

The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

For Godrej Properties Limited

Mohit Malhotra
Managing Director
& Chief Executive Officer
(DIN: 07074531)

For and on behalf of the Corporate Social Responsibility Committee of Godrej Properties Limited

Amit Choudhury
Chairman of the Corporate Social
Responsibility Committee
(DIN:00557547)

ANNEXURE VI TO THE DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

To

The Members
Godrej Properties Limited
Godrej One, 5th Floor
Pirojshanagar, Eastern Express Highway
Vikhroli (East)
Mumbai 400079

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Godrej Properties Limited** (CIN: L74120MH1985PLC035308) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable to the Company during the financial year under review);

d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the financial year under review);

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not Applicable to the Company during the financial year under review);

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the financial year under review);

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the financial year under review) and

i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement), Regulations, 2015 [SEBI (LODR)]

(vi) The management has identified and confirmed the following laws as specifically applicable to the Company:

1. The Building and Other Construction Workers (Regulation of Employment and Condition of Service) Act,1996;

2. Town & Country Planning Acts and Development Control Regulations & Building Bye Laws as applicable at various locations;

3. The Ownership Flats & Apartments Ownership Act as applicable at various locations and

4. Environment Protection Act, 1986

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the specific events/actions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. are mentioned below:

Sr. No.	Date of event	Details of the specific events/ actions bearing on Company's affairs Pursuance of the above referred Laws, Rules, Regulations Guidelines etc.
1.	29.04.2016	Acquisition 99,528 equity shares of Rs. 10/- each of Happy Highrises Limited, as a consequent Happy Highrises Limited became wholly owned Subsidiary of the Company.
2.	30.06.2016	GRIP II Pte. Ltd. acquired 80% of the equity share capital in Godrej Greenview Housing Private Limited (GGHPL), towards investment into the project Vihang, Thane, consequently Godrej Greenview Housing Private Limited has ceased to be the Subsidiary of the Company.

For A K Jain & Co.
Company Secretaries

Ashish Kumar Jain
Proprietor
CP No. 6124
Membership No. F6058

Place: Mumbai
Date: May 04, 2017

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

ANNEXURE A

To
The Members
Godrej Properties Limited
Godrej One, 5th Floor
Pirojshanagar, Eastern Express Highway
Vikhroli (East)
Mumbai 400079

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For A K Jain & Co.
Company Secretaries

Ashish Kumar Jain
Proprietor
CP No. 6124
FCS : 6058

Place: Mumbai
Date: May 04, 2017

ANNEXURE VII TO THE DIRECTORS' REPORT

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP & Designation	Remuneration of Director/KMP for financial year 2016-17 (Amt in ₹)	% increase in Remuneration in the financial year 2016-17	Ratio of Remuneration of each Director/to median remuneration of employees
1	Mr. Adi Godrej Chairman	1,050,000	-	1.01:1
2	Mr. Pirojsha Godrej Managing Director & Chief Executive Officer	49,471,796	22.39	47.6:1
3	Mr. Jamshyd Godrej Non-Executive Director	950,000	(9.52)	0.91:1
4	Mr. Nadir Godrej Non-Executive Director	1,050,000	-	1.01:1
5	Mr. Amit Choudhury Independent Director	1,990,000	70.08	1.91:1
6	Mr. Keki Dadiseth Independent Director	1,950,000	89.32	1.87:1
7	Mrs. Lalita D Gupte Independent Director	1,950,000	89.32	1.87:1
8	Dr. Pritam Singh Independent Director	1,950,000	89.32	1.87:1
9	Mr. Pranay Vakil Independent Director	1,950,000	66.66	1.87:1
10	Mr. S. Narayan Independent Director	1,550,000	32.47	1.49:1
11	Mr. Amitava Mukherjee Independent Director	1,950,000	66.66	1.87:1
12	Mr. Mohit Malhotra Executive Director	36,458,270	34.90	35.1:1

Sr. No.	Name of Director/KMP & Designation	Remuneration of Director/KMP for financial year 2016-17 (Amt in ₹)	% increase in Remuneration in the financial year 2016-17	Ratio of Remuneration of each Director/to median remuneration of employees
13	Mr. Rajendra Khetawat Chief Financial Officer	19,867,028	19.39	19:1
15	Mr. Surender Varma Company Secretary & Chief Legal Officer	14,847,027	23.88	14:1

**Profit before tax increased by 258.07% and the Profit after tax increased by 446.63% in the financial year 2016-17

i. The median remuneration of employees of the Company during the financial year 2016-17 was ₹ 10,37,744

ii. In the financial year there was an increase of 7.43 % in the median remuneration of employees;

iii. There were 1004 permanent employees on the rolls of Company as on March 31, 2017;

iv. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2016-17 was 19.80% whereas the decrease in the managerial remuneration for the same financial year was 6.10%.

v. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

ANNEXURE VIII TO THE DIRECTORS' REPORT

AS PER THE DISCLOSURE REQUIREMENT SPECIFIED UNDER SEBI (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 AND SECTION 62(1)(B) OF THE COMPANIES ACT, 2013 READ WITH RULE 12(9) OF THE COMPANIES (SHARE CAPITAL & DEBENTURES), RULES, 2014, THE FOLLOWING INFORMATION IS DISCLOSED IN RESPECT OF EMPLOYEE STOCK BENEFIT PLANS:

Sr. No.	Particulars	Godrej Properties Limited Employee Stock Grant Scheme, 2011
1	Date of shareholders' approval for the options granted under the scheme	March 18, 2011 & April 06, 2015
2	Total number of options approved for grants under the scheme	15,00,000
3	Vesting requirements	As specified by the Nomination & Remuneration Committee subject to minimum 1 year from the date of grant
4	Exercise Price or Pricing formula	₹ 5 per share
5	Maximum term of options granted	As may be decided by the Nomination & Remuneration Committee as per the prevalent regulatory provisions
6	Source of shares	Direct allotment
7	Variation of terms of options	None
8	Options granted till March 31, 2017	8,52,632
9	Options vested upto March 31, 2017	4,77,524
10	Options exercised upto March 31, 2017	4,68,516
11	The total number of shares arising as a result of exercise of option;	4,68,516
12	Options lapsed	1,69,579
13	Money realised by exercise of options upto March 31, 2017	23,42,580
14	Total number of options outstanding and exercisable at the end of the year	2,14,537
15	Number of options outstanding as on April 1, 2016	2,54,597
16	Number of options granted during 2016-2017	1,22,127
17	Number of options lapsed during 2016-2017	57,861
18	Number of options vested during 2016-2017	1,09,752
19	Number of options exercised during 2016-2017	104,326
20	Number of shares arising as a result of exercise of options during 2016-2017	104,326
21	Loan repaid by the Trust during 2016-2017 from exercise price received	Not applicable

Sr. No.	Particulars	Godrej Properties Limited Employee Stock Grant Scheme, 2011
22	Method used to account for the options- Where the Company has calculated the Employee Compensation Cost using the intrinsic value of the stock options, the difference between the Employee Compensation Cost so computed and the Employee Compensation Cost that shall have been recognised if it had used the fair value of the options and the impact of this difference on profits and on EPS of the company shall also be disclosed	
23	Weighted-average exercise prices and weighted-average fair values of options (shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock)	Exercise price ₹ 5 per share Weighted average Fair Value of options ₹279.78
24	Employee wise details of options granted to;-	
	i) Senior Managerial Personnel	Refer Note 1
	ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	Refer Note 1
	iii) Identified employees who were granted option, 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	
25	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'	₹ 5.77
26	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted-average information:	The fair value of the employee share options has been measured using the Black -Scholes options pricing Model
	i) Risk-free interest rate,	6.31% - 8.57%
	ii) Expected life,	1 to 3 years
	iii) Expected volatility,	29% - 43%
	iv) Expected dividends, and	
	v) Closing price of the underlying share in market at the time of option grant	

Note 1- Employee wise details of options granted under GPL ESGS to Senior Managerial Personnel and details of options granted more than 5% in one year.

Name & Designation of Senior Managerial Personnel to whom stock options have been granted	Granted in FY 2014-15 and outstanding as at March 31, 2017	Granted in FY 2015-16 and outstanding as at March 31, 2017	Granted in FY 2016-17 and outstanding as at March 31, 2017	Total outstanding options as at March 31, 2017
Mr. Mohit Malhotra, Managing Director & Chief Executive Officer	4094*	13908*	21367*	39369
Mr. Jayanand Potdar, Chief Operating Officer	4094*	7642*	9740*	21476
Mr. Rajendra Khetawat, Chief Financial Officer	3275	6113*	9131*	18519
Mr. Sriram Iyer, Business Head - South & East	3275	6113*	5479	14867
Ms. Mamta Bakshi, Chief Customer Officer	3275	6113*	4566	13954
Mr. Anubhav Gupta, Head-design Studio & Business Head- Vikhroli	3275	6113*	8522*	17910
Mr. Amandeep Singh, Business Head - West Zone	2183	4075	4566	10824
Mr. Karan Bolaria, CEO - Godrej Fund Management	1820	4075	6087	11982
Mr. Rabikant Sharma, Business Head - Pune	1820	3396	3957	9173
Mr. Surender Varma, Company Secretary & Chief Legal Officer	769	3396	4870	9035
Mr. Nitin Anand, Business Head - Mumbai Region (Redevelopment)	0	2073	3044	5117
Mr. Neeraj Gupta, Business Head - Mumbai Zone	0	848	5479	6327
Mr. K. Uday Bhaskar, Business Head - Bangalore	0	565	3652	4217
Mr. Satish Jadhav, Head Construction, Operations	0	0	4566	4566
Mr. Bhushan Saney, Head - Cost Leadership, Contracts & Procurement	0	0	4566	4566
Mr. Vikas Singhal, Business Head - NCR 1	0	0	4566	4566
Mr. Lalit Makhijani, Chief Marketing Officer	0	0	3482	3482
Ms. Ruhie Pande, Chief Human Resources Officer	0	0	1650	1650
Mr. Prashant Katiyar, Head - Planning & Strategy	0	0	962	962
Mr. Gaurav Pandey, Business Head - North Zone	0	0	613	613

* Option granted was more than 5% of the options granted in one year.

REPORT ON CORPORATE **GOVERNANCE**

Company's Philosophy on Code of Governance

Corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organization's wealth generating capacity. This is ensured by conducting business with a firm commitment to values, while at the same time, meeting stakeholders' expectations.

Strong leadership and effective corporate governance practices have been the Company's hallmark inherited from the Godrej culture and ethos. The Company continues to focus its resources, strengths and strategies to be among the nation's leading real estate companies, while continuing to be the most trusted name in the industry.

At Godrej Properties, it is imperative that business is conducted in a fair and transparent manner. The corporate governance framework ensures effective engagement with various stakeholders and helps the Company evolve with changing times. It oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising of regulators, employees, customers, vendors, investors and the society at large.

The guiding principles and practices are summarised in this Corporate Governance Report. These are articulated through the Company's Code of Conduct for Board of Directors and Senior Management, Policies and Charters of various Committees of the Board and Company's Disclosure Policies. These Policies seek to focus on enhancement of long term shareholder value without compromising on Ethical Standards and Corporate Social Responsibilities.

The Company has executed fresh Listing Agreements with the Stock Exchanges pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("SEBI LODR Regulations")

THE GOVERNANCE STRUCTURE

1) BOARD OF DIRECTORS

a) Board Structure

The Company has an optimal combination of executive, non-executive and independent directors to maintain the independence of the Board from the management, which is in conformity with the requirement of Section 149(4) of the Companies Act, 2013 (the Act) and Regulation 17 of SEBI LODR Regulations. As of March 31, 2017, the Board of Directors of the Company consisted of 12 (twelve) Directors drawn from diverse fields/professions, which includes the Managing Director & Chief Executive Officer, 1 (one) Executive Director and 10 (ten) Non-Executive Directors, of which 7 (seven) are Independent Directors. Since the Chairman of the Board is a Non-Executive Non-Independent Director till March 31, 2017, and belongs to Promoter Group of the Company, more than half i.e. 58% of the Board of the Company comprises Independent Directors, as detailed below:

Category	Name of Director	DIN
Non-Executive Non-Independent Directors	#Mr. Adi B. Godrej	00065964
	*Ms. Parmeshwar A. Godrej	00432572
	Mr. Jamshyd N. Godrej	00076250
	Mr. Nadir B. Godrej	00066195
Non-Executive Independent Directors	Mr. Amit B. Choudhury	00557547
	Mr. Keki B. Dadiseth	00052165
	Mrs. Lalita D. Gupte	00043559
	Mr. Pranay D. Vakil	00433379
	Dr. Pritam Singh	00057377
	Mr. S. Narayan	00094081
	Mr. Amitava Mukherjee	00003285
Managing Director & CEO	Mr. Pirojsha Godrej *(Executive Chairman w.e.f. April 1, 2017)*	00432983
Executive Director	Mr. Mohit Malhotra *(Managing Director & CEO w.e.f. April 1, 2017)*	07074531

 # Stepped down from the Board and appointed as Chairman Emeritus w.e.f. April 1, 2017.

**Ceased to be a Director from the Board of the Company w.e.f. October 10, 2016.*

b) Board meetings held and Directors' attendance record

The Board looks at strategic planning and policy formulation. The Board meets at least once in every quarter to review the Company's operations and to consider, among other business, the quarterly performance and financial results of the Company. The maximum time gap between any two meetings of the Board is not more than 120 days. The agenda of Board meetings is circulated to all the Directors well in advance and contains all the relevant information.

The details of Board meetings held during the Financial Year 2016-17 and Directors' attendance record are given in Table 1 and Table 2.

Table 1: The details of meetings of the Board held during the financial year 2016-17 are as under:

Sr. No.	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
1	May 5, 2016	13	12
2	August 9, 2016	13	11
3	November 9, 2016	12	12
4	February 2, 2017	12	12

Table 2: Details about the Company's Directors and meetings attended by the Directors during the Financial Year 2016-17

Sr. No.	Name of Director	Category	Number of Board Meetings held during the Financial Year 2016-17	Number of Board Meetings attended during the Financial Year 2016-17	Whether attended last AGM (held on August 9, 2016)	Directorships held in companies incorporated in India as at March 31, 2017[(i)(ii)] (Including GPL)	Number of Chairmanships/ Memberships in Board Committees as at March 31, 2017 (Including GPL)	
							Chairmanship (excluding Memberships of Committees)	Memberships
1.	*Mr. Adi B. Godrej	Chairman-Non-Executive	4	4	Yes	6(3)	2	1
2.	Mr. Jamshyd N. Godrej	Non-Executive Director	4	3	No	8(4)	-	2
3.	Mr. Nadir B. Godrej	Non-Executive Director	4	4	No	11(6)	1	3
4.	**Ms. Parmeshwar Godrej	Non-Executive Director	4	1	Yes	-	-	-
5.	#Mr. Pirojsha A Godrej	Managing Director & CEO	4	4	Yes	4(1)	-	1
6.	Mr. Amit B. Choudhury	Independent Director	4	4	Yes	7(2)	-	3
7.	Mr. Keki B. Dadiseth	Independent Director	4	4	Yes	9(6)	3	5
8.	Mrs. Lalita D. Gupte	Independent Director	4	4	Yes	6(4)	1	7
9.	Mr. Pranay D. Vakil	Independent Director	4	4	Yes	5(3)	-	2

Sr. No.	Name of Director	Category	Number of Board Meetings held during the Financial Year 2016-17	Number of Board Meetings attended during the Financial Year 2016-17	Whether attended last AGM (held on August 9, 2016)	Directorships held in companies incorporated in India as at March 31, 2017[(i)(ii)] (Including GPL)	Number of Chairmanships/ Memberships in Board Committees as at March 31, 2017 (Including GPL)	
							Chairmanship (excluding Memberships of Committees)	Memberships
10.	Dr. Pritam Singh	Independent Director	4	4	Yes	3(3)	1	3
11.	Mr. S. Narayan	Independent Director	4	3	No	9(5)	2	3
12.	Mr. Amitava Mukherjee	Independent Director	4	4	Yes	4(2)	1	3
13.	##Mr. Mohit Malhotra	Executive Director	4	4	Yes	1(1)	-	-

Notes :-

*(i) * Stepped down from the Board and appointed as Chairman Emeritus w.e.f. April 1, 2017.*

*(ii) ** Ceased to be a Director from the Board of the Company w.e.f. October 10, 2016.*

(iii) # Executive Chairman w.e.f. April 1, 2017.

(iv) ## Managing Director and Chief Executive Officer w.e.f. April 1, 2017.

(v) Directorship in companies incorporated under section 8 of the companies Act, 2013 and foreign companies are excluded.

(vi) Figures in ( ) denote listed companies.

As required under Regulation 26(1) of SEBI LODR Regulations and confirmed by directors, none of the Directors are: (i) member of more than 10 (ten) committees; and (ii) chairman of more than 5 (five) committees. A separate meeting of independent directors was held on April 22, 2016 to, *inter alia*, review the performance of non-independent directors, Chairman of the Company and the Board as a whole.

c) Relationship between Directors inter-se:

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 Companies Act, 2013:

1. Mr. Adi B. Godrej is the brother of Mr. Nadir B. Godrej;
2. Mr. Pirojsha Godrej is the son of Mr. Adi B. Godrej.

Table 3: 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, 2017	Dividend paid during the Financial Year 2016-17 (in ₹)	Number of options held under GPL ESGS
Mr. Adi B. Godrej	-	-	-
Mr. Nadir B. Godrej	3,986,430	-	-
Mr. Jamshyd N. Godrej	1,904,912	-	-
Mr. Amit B. Choudhury	3,850	-	-
Mr. Keki B. Dadiseth	-	-	-
Mrs. Lalita D. Gupte	14,000	-	-
Mr. Pranay D. Vakil	-	-	-
Dr. Pritam Singh	2,000	-	-
Mr. S. Narayan	-	-	-
Mr. Amitava Mukherjee	-	-	-
Mr. Pirojsha Godrej	1,328,802	-	-
Mr. Mohit Malhotra	21,756	-	39,369*

** It is exercisable over a period of three years*

d) Independent Directors

At the 29th Annual General Meeting of the Company held on August 2, 2014, the members had appointed 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 for a period of five years from August 2, 2014 to August 1, 2019. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

The Company has issued a formal letter of appointment to the Independent Directors in the manner as provided in the Act and SEBI LODR Regulations The terms and conditions of appointment have also been displayed on the website of the Company at https://www.godrejproperties.com/investor/corporategovernance

e) Familiarisation Program for Independent Directors

The Company has conducted the familiarisation program for Independent Directors during the year. The Program aims to provide insights into the Company to enable the Independent Directors to understand its business in depth,to acclimatise them with the processes, businesses and functionaries of the Company and to assist them in performing their role as Independent Directors of the Company. The Company's Policy of conducting the Familiarisation Program has been disclosed on the website of the Company at https://www.godrejproperties.com/investor/corporategovernance

2) COMMITTEES OF THE BOARD

A. AUDIT COMMITTEE

The composition of the Audit Committee of the Company is in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI LODR Regulations. The Company's Audit Committee comprises 7 (seven) Independent Directors. The Committee met 4 (four) times during the Financial Year ended March 31, 2017, i.e. on May 5, 2016, August 9, 2016, November 9, 2016, and February 02, 2017. Table 4 below gives composition and the attendance record for the aforesaid meetings of the Audit Committee:

Table 4: Composition and attendance record of Audit Committee members

Sr. No.	Name of Director	No. of meetings held during the financial year ended March 31, 2017	No. of meetings attended during the financial year ended March 31, 2017
1.	Mr. Keki B. Dadiseth (Chairman)	4	4
2.	Mrs. Lalita D. Gupte	4	4
3.	Mr. Amit B. Choudhury	4	4
4.	Mr. Pranay D. Vakil	4	4
5.	Dr. Pritam Singh	4	4
6.	Mr. S. Narayan	4	3
7.	Mr. Amitava Mukherjee	4	4

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 Audit Committee invites the executives of the Company viz., Managing Director & Chief Executive Officer, Executive Directors, *Head of Finance,* as it considers appropriate and the representatives of the Statutory Auditors and Internal Auditors at its meetings.

Mr. Surender Varma, Company Secretary & Chief Legal Officer of the Company acts as the Secretary to the Audit Committee. He was also appointed as the Compliance Officer by the Board to ensure compliance and effective implementation of the Insider Trading Code.

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. Recommendation for appointment, re-appointment and terms of appointment 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 and auditor's report there on before submission to the Board for approval, with particular reference to:
   i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of the Companies Act, 2013,
   ii. Changes, if any, in accounting policies and practices and reasons for the same,
   iii. Major accounting entries involving estimates based on the exercise of judgment by management,
   iv. Significant adjustments made in the financial statements arising out of audit findings,
   v. Compliance with listing and other legal requirements relating to financial statements,
   vi. Disclosure of any related party transactions, and
   vii. Modified opinion(s) in the draft audit report.
5. Reviewing along 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 and monitoring the auditor's independence and performance, and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the listed entity with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the listed entity, whenever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing with the management, performance of statutory and internal auditors and adequacy of the internal control systems.

13. 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.
14. Discussion with internal auditors of any significant findings and follow up there on.
15. 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.
16. 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.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower Mechanism.
19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience & background, etc. of the candidate.
20. 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 / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
6. Statement of deviations:

(a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in the terms of Regulation 32(7) of SEBI LODR Regulations.

(b) Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7) SEBI LODR Regulations.

B. NOMINATION & REMUNERATION COMMITTEE

The constitution, scope and powers of the Nomination & Remuneration Committee of the Board of Directors are in accordance with the provisions of Section 178 of the Act and Regulation 19 of SEBI LODR Regulations. 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 scheme of the company i.e. The Godrej Properties Limited Employee Stock Grant Scheme, 2011.

The Nomination & Remuneration Committee consists of seven Independent Directors. During the Financial Year ended March 31, 2017, the Committee met 4(four) times, i.e. on May 5, 2016, August 9, 2016, November 9, 2016 and February 2, 2017. The composition and attendance details of the Nomination & Remuneration Committee are given in Table 5 below:

Table 5: Composition and attendance record of Nomination & Remuneration Committee members

Sr. No.	Name of Director	No. of meetings held	Meetings attended
1	Mrs. Lalita D. Gupte (Chairperson)	4	4
2	Mr. Keki B. Dadiseth	4	4
3	Mr. Amit B. Choudhury	4	4
4	Mr. Pranay D. Vakil	4	4
5	Dr. Pritam Singh	4	4
6	Mr. S. Narayan	4	3
7	Mr. Amitava Mukherjee	4	4

Mr. Surender Varma, Company Secretary & Chief Legal Officer of the Company acts as the Secretary of the Nomination & Remuneration Committee.

Following are the roles of Nomination and Remuneration Committee:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of performance of independent directors and the board of directors;

3. Devising a policy on diversity of board of directors;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
6. Carry out evaluation of every director's performance;

Please refer to the Director's report for Performance Evaluation Criteria for the independent directors.

C. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company consist of the following members:

1. Mr. Amit Choudhury, Independent Director
2. *Mr. Pirojsha Godrej, Managing Director and Chief Executive Officer and
3. #Mr. Mohit Malhotra, Executive Director

**Executive Chairman w.e.f. April 1, 2017*

#MD & CEO w.e.f. April 1, 2017

The Committee during the Financial Year 2016-17 met on two occasions i.e. on May 2, 2016 and November 9, 2016, to review the status of the CSR projects undertaken by the Company during the financial year 2016-17. The necessary quorum was present for all the meetings.

Mr. Surender Varma, Company Secretary & Chief Legal Officer of the Company acts as the Secretary of the Corporate Social Responsibility Committee.

The CSR Policy of the Company has been put up on the website of the Company at https://www.godrejproperties.com/investor/corporategovernance. The Annual Report on Corporate Social Responsibility activities undertaken by the Company during the financial year 2016-17, as prescribed under Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 have been appended as Annexure V to Directors Report.

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

1. 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 Companies Act, 2013.
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.
4. To review the performance of the Company in the area of CSR including the evaluation of the impact of the Company's CSR activities.
5. To consider other functions, as defined by the Board, or as may be stipulated under any law, rules or regulations including the SEBI LODR Regulations and the Companies Act, 2013.

D. ALLOTMENT COMMITTEE

The Allotment Committee has been formed to complete the formalities relating to allotment of securities and to authorise officials of the Company to file forms and returns with regulatory authorities. The Committee comprises the following directors as its members:

1. *Mr. Adi B. Godrej, Non-Executive Chairman,
2. #Mr. Pirojsha Godrej, Managing Director & Chief Executive Officer and
3. Mr. Amit Choudhury, Independent Director.

**Stepped down from the Board and appointed as Chairman Emeritus w.e.f. April 1, 2017*

#Executive Chairman w.e.f. April 1, 2017

The Allotment Committee during the Financial Year 2016-17 met on regular intervals to allot equity shares arising out of options exercised by the eligible employees under the Godrej Properties Limited Employee Stock Grant Scheme, 2011 (GPL ESGS). The necessary quorum was present for all the meetings.

3) REMUNERATION OF DIRECTORS

The Board has formulated the Nomination and Remuneration Policy of Directors, Key Managerial Personnel (KMPs) and Senior Management in terms of the provisions of Section 178 of the Act and SEBI LODR Regulations. The said Policy outlines the appointment criteria and qualifications, the term / tenure of the Directors on the Board of Godrej Properties Limited and the matters related to remuneration of the Directors, KMPs & Senior Management. The said Policy has been published as an Annexure to Director's Report included in this Annual Report.

The Company paid sitting fees of ₹ 1,00,000 (Rupees One Lakh only) to its non-executive directors for attending every meeting of the Board, ₹ 1,00,000 (Rupees One Lakh only) for attending every meeting of the Audit and Nomination & Remuneration Committee and ₹ 20,000 (Rupees Twenty Thousand only) for every meeting of the Corporate Social Responsibility Committee.

The remuneration of the Managing Director & Chief Executive Officer and the Executive Director(s) is in consensus with the Company's size, industry practice and overall performance of the Company. The Nomination & Remuneration Committee submits its recommendation to the Board, which after considering the recommendation takes decision on the remuneration payable to the Managing Director & Chief Executive Officer and the Executive Director(s) (which also includes the annual increments and performance bonus) in accordance with the provisions of the Companies Act, 2013 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 6 below:

Table 6: Remuneration paid / payable to the Directors for the financial year ended March 31, 2017

(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, Father of Mr. Pirojsha Godrej	400,000	650,000	Nil	Nil	Nil	Nil	1,050,000
Mr. Jamshyd N. Godrej	-	300,000	650,000	Nil	Nil	Nil	Nil	950,000
Mr. Nadir B. Godrej	Brother of Mr. Adi B. Godrej	400,000	650,000	Nil	Nil	Nil	Nil	1,050,000
#Ms. Parmeshwar Godrej		100,000	Nil	Nil	Nil	Nil	Nil	100,000
Mr. Amit B. Chodhury	-	1,340,000	650,000	Nil	Nil	Nil	Nil	1,990,000
Mr. Keki. B. Dadiseth	-	1,300,000	650,000	Nil	Nil	Nil	Nil	1,950,000
Mrs. Lalita D. Gupte	-	1,300,000	650,000	Nil	Nil	Nil	Nil	1,950,000
Mr. Pranay D. Vakil	-	1,300,000	650,000	Nil	Nil	Nil	Nil	1,950,000
Dr. Pritam Singh	-	1,300,000	650,000	Nil	Nil	Nil	Nil	1,950,000
Mr. S. Narayan	-	900,000	650,000	Nil	Nil	Nil	Nil	1,550,000
Mr. Amitava Mukherjee	-	1,300,000	650,000	Nil	Nil	Nil	Nil	1,950,000
Mr. Pirojsha Godrej	Son of Mr. Adi B. Godrej	Nil	Nil	21,676,356	17,730,992	1,064,448	9,000,000**	49,471,796
Mr. Mohit Malhotra	-	Nil	Nil	22,601,832	8,312,365	744,073	4,800,000**	36,458,270

Notes:

** Commission for the financial year 2016-17 is paid in the financial year 2017-18*

 # Ceased to be a Director on the Board of the Company w.e.f. October 10, 2016.

*** Others is towards provision made for the Performance Bonus for the financial year 2016-17*

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.

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

Except for drawing remuneration, none of the Directors have any other materially significant related party transactions, pecuniary relationship or transaction 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. 48 of Standalone Financial Statements, forming part of the Annual Report.

4) STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee of the Board consists of the following members:

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

**Stepped down from the Board and appointed as Chairman Emeritus w.e.f. April 1, 2017*

#Executive Chairman w.e.f. April 1, 2017

Mr. Adi B. Godrej is the chairman of Stakeholder's Relationship Committee The Committee during the Financial Year 2016-17 met on 5 (five) occasions i.e. on April 5, 2016, July 11, 2016, October 4, 2016, January 5, 2017 and March 31, 2017.

Mr. Surender Varma, Company Secretary & Chief Legal Officer of the Company acts as 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, review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of dividends declared and all other securities-holders related matters. 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 and transmission of securities, including power to delegate the same to the Registrar and Transfer Agents.

Name and Designation of Compliance Officer:

Mr. Surender Varma

Company Secretary & Chief Legal Officer is the Compliance Officer of the Company.

Status of Investor Complaints for the Financial Year ended March 31, 2017:

Complaints outstanding as on April 1, 2016	0
Complaints received during the financial year ended March 31, 2017	28
Complaints resolved during the financial year ended March 31, 2017	28
Complaints outstanding as on March 31, 2017	0

During the year under review, the Company received five investor's complaints through SEBI Compliant Redress System (SCORES), which were satisfactorily addressed.

There are no pending share transfers as on March 31, 2017.

5) GENERAL BODY MEETINGS

a) Details of previous three General Meetings of the Company are as under:

Financial Year	Venue	Date	Time
2015-16	The Auditorium, Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079	August 9, 2016	1.30 PM
2014-15	The Auditorium, Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079	August 4, 2015	2.30 P.M.
2013-14	Y. B. Chavan Pratishthan, Gen. Jagannathrao Bhonsle Marg, Nariman Point, Mumbai 400 021	August 2, 2014	2.30 P.M.

b) Details of special resolutions passed in previous three Annual General Meetings of the Company are as under:

Date of AGM	Number of Special Resolutions passed	Details of Special Resolutions Passed
August 9, 2016	5	i. Waiver of excess remuneration paid to Mr. Pirojsha Godrej, Managing Director & Chief Executive Officer (DIN:00432983) ii. Waiver of excess remuneration paid to Mr. Mohit Malhotra, Executive Director (DIN:07074531) iii. Waiver of excess remuneration paid to Mr. K. T. Jithendran (DIN:01181998) iv. Revision in remuneration of Mr. Pirojsha Godrej, Managing Director & Chief Executive Officer (DIN:00432983), with effect from April 1, 2016. v. Revision in remuneration of Mr. Mohit Malhotra, Executive Director (DIN: 07074531), with effect from April 1, 2016.
August 4, 2015	4	i. Appointment of Mr. Mohit Malhotra as an Executive Director with effect from April 1, 2015 ii. Re-appointment of Mr. Pirojsha Godrej (DIN: 00432983) as Managing Director & Chief Executive Officer, with effect from April 1, 2015. iii. Revision in remuneration of Mr. K. T. Jithendran – Executive Director (DIN: 01181998), with effect from April 1, 2015. iv. Approve the amendment in the Godrej Properties Limited Employees Stock Option Plan (GPL ESOP).
August 2, 2014	4	i. To approve revision in remuneration of Mr. K. T. Jithendran - Executive Director, with effect from April 1, 2014. ii. Revision of remuneration of Mr. Pirojsha Godrej - Managing Director & Chief Executive Officer with effect from April 1, 2014. iii. Revision in remuneration of Mr. V. Srinivasan - Executive Director, with effect from April 1, 2014. iv. Alteration of Article 143 of the Articles of the Association of the Company.

6) MEANS OF COMMUNICATION

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 https://www.godrejproperties.com and the copies of the same are sent to BSE Limited and the National Stock Exchange of India Limited. The quarterly and annual results of the Company's financial performance are published in leading English dailies like the 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.

7) GENERAL SHAREHOLDERS' INFORMATION

a) Annual General Meeting

Date	August 2, 2017
Time	2.00 p.m.
Venue	Godrej One, The Auditorium, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai - 400 079

b) Financial Calendar

Financial Year: April 1 to March 31

For the financial year ended March 31, 2017, the financial results were announced on:

- August 9, 2016 : First Quarter
- November 9, 2016 : Second Quarter
- February 2, 2017 : Third Quarter
- May 4, 2017 : Annual

c) Dividend Payment Date

The Board has not recommended any dividend for the financial year ended March 31, 2017.

d) 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	Address	Stock/Scrip code
BSE Limited (BSE)	25th Floor, P J Towers, Dalal Street, Mumbai 400 001	533150
The National Stock Exchange of India Limited (NSE)	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai 400 051	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**. Annual listing fee for the year 2016-17 has been paid by the Company to BSE and NSE.

e) Stock Data

Table 7 and Table 8 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, 2017.

Table 7: Monthly high and low prices and volumes of equity shares of the Company at BSE for the financial year ended March 31, 2017:

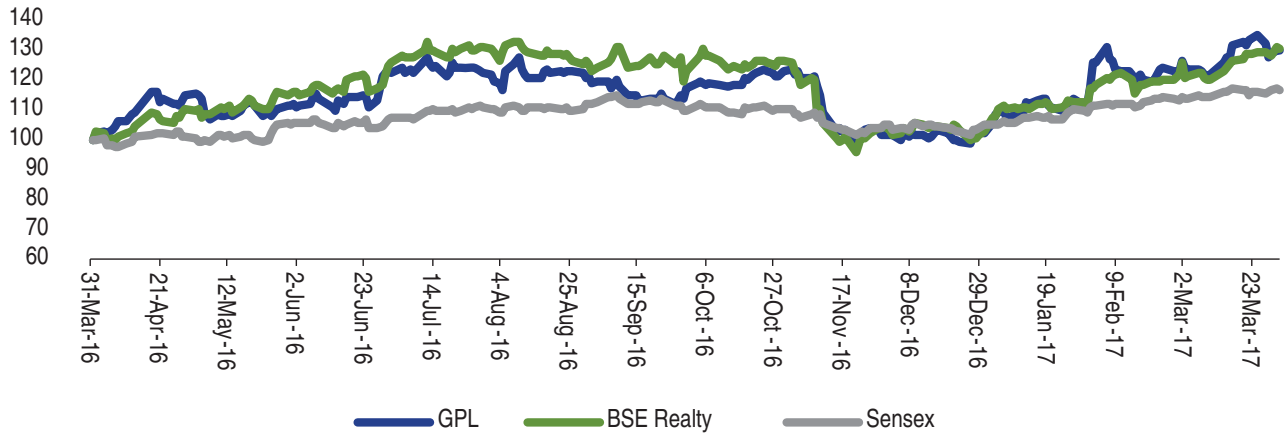
Month	High (₹)	Low (₹)	Volumes Traded (No. of equity shares)
April	343.90	302.50	9,26,833
May	341.60	317.10	7,00,537
June	365.75	325.70	9,05,493
July	377.40	359.95	11,58,219
August	378.25	346.35	7,63,096
September	355.40	332.50	11,50,479
October	365.50	348.65	4,52,999
November	365.95	292.85	14,68,117
December	305.65	293.00	1,06,976
January	336.90	313.20	2,90,618
February	388.05	348.40	10,50,515
March	399.85	358.90	20,92,071

Table 8: Monthly high & low prices and volumes of equity shares of the Company at NSE for the financial year ended March 31, 2017:

Month	High (₹)	Low (₹)	Volumes Traded (No. of equity shares)
April	344.80	301.80	41,21,750
May	340.85	318.00	35,66,402
June	363.65	325.40	34,63,691
July	376.75	360.15	30,91,667
August	377.80	346.70	37,58,019
September	355.20	330.80	39,02,776
October	365.65	349.90	22,15,463
November	365.05	293.75	50,71,312
December	305.65	293.60	45,41,324
January	336.55	313.70	11,02,853
February	386.60	348.75	53,31,798
March	400.10	358.55	83,29,689

***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 BSE and NSE.*

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



Indexed Price movement from April 01, 2016 to March 31, 2017

f) Share Transfer Agent

Karvy Computershare Private Limited
(Unit: Godrej Properties Limited)

Karvy Selenium Tower-B, Plot No. 31 & 32,
Financial District, Gachibowli,
Nanakramguda, Serilingampally,
Hyderabad-500032
Phone: 040-67162222
Fax: 040-23001153
Email ID: einward.ris@karvy.com
Toll Free No.: 18003454001
Contact Person: Mr. K. S. Reddy

g) Share transfer system

The Company has outsourced its share transfer function for shares held in physical form to M/s. Karvy Computershare Private Limited, which is registered with the Securities and Exchange Board of India having Registration No. INR000000221. 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.

h) Distribution of shareholding as on March 31, 2017

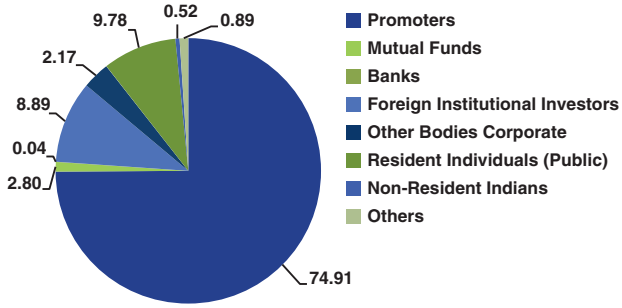
Sr. No.	Category	No. of Share Holders	% of Share Holders	No. of equity shares	Amount (₹)
1	1 – 5000	35,304	93.69	4,726,525	23,632,625
2	5001 – 10000	948	2.52	1,444,736	7,223,680
3	10001 – 20000	535	1.42	1,553,718	7,768,590
4	20001 – 30000	249	0.66	1,250,472	6,252,360
5	30001 – 40000	129	0.34	905,966	4,529,830
6	40001 – 50000	111	0.29	1,033,934	5,169,670
7	50001 – 100000	164	0.44	2,362,061	11,810,305
8	100001 & Above	239	0.64	203,087,280	1,015,436,400
	Total	**37,679**	**100**	**216,364,692**	**1,081,823,460**

i) Shareholding pattern as on March 31, 2017

i) Distribution of equity shareholding :

Sr. No.	Category	No. of Share Holders	No. of equity shares held	% of share-holding
1	Promoters	14	162,087,070	74.91
2	Mutual Funds	13	6,060,067	2.80
3	Banks	4	95,325	0.04
4	Foreign Institutional Investors	85	19,236,817	8.89
5	Other Bodies Corporate	682	4,693,121	2.17
6	Resident Individuals (Public)	34,849	21,167,491	9.78
7	Non-Resident Indians	962	764,522	0.52
8	Others	1070	2,260,279	0.89
	Total	**37,679**	**216,364,692**	**100.00**

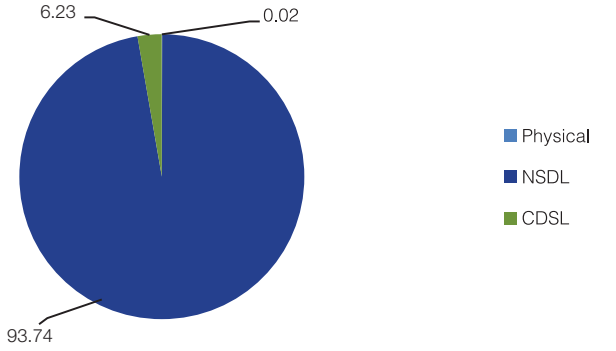
ii) Categories of equity shareholders :



j) Shares held in physical and dematerialized form

Category	Number of shareholders	Shareholders %	Number of equity shares held	Shareholding %
Physical	75	0.20	46,218	0.02
NSDL	25,371	67.34	202,830,560	93.74
CDSL	12,233	32.46	13,487,914	6.23
Total	**37,679**	**100.00**	**216,364,692**	**100.00**

Break up of physical and dematerialized shares as on March 31, 2017



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

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

l) Address for Correspondence

Investor correspondence should be addressed to:

Karvy Computershare Private Limited
(Unit: Godrej Properties Limited)

Karvy Selenium Tower-B, Plot No.31 & 32,
Financial District, Gachibowli,
Nanakramguda, Serilingampally,
Hyderabad-500032
Phone: 040-67162222
Fax: 040-23001153
Email ID: einward.ris@karvy.com
Toll Free No.: 18003454001
Contact Person: Mr. K. S. Reddy

Compliance Officer:
Mr. Surender Varma
Company Secretary & Chief Legal Officer
Godrej One, 5th Floor, Pirojshanagar,
Eastern Express Highway,
Vikhroli (East), Mumbai 400 079

8) OTHER DISCLOSURES

a) Materially significant related party transactions

All transactions entered into during the financial year 2016-17 with Related Parties as defined under the Act and SEBI LODR Regulations were in the ordinary course

of business and at an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. 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. 48 forming part of the Standalone financial statements.

As required under Regulation 23 of SEBI LODR Regulations the Company has formulated a Related Party Transactions Policy which is available on the website of the Company at https://www.godrejproperties.com/investor/corporategovernance.

b) 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, NSE, the Securities and Exchange Board of India or any other statutory authority, in relation to any matter related to capital markets, during last three years.

c) Whistle Blower Policy – Vigil Mechanism

The Company's Whistle Blower Policy is in line with the provisions of the sub section 9 and 10 of Section 177 of the Companies Act, 2013 and as per Regulation 22 of SEBI LODR Regulations. This Policy establishes a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The said mechanism also provides for adequate safeguards against victimisation of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. We confirm that during the financial year 2016-17, no employee of the Company was denied access to the Audit Committee.

The said Whistle Blower Policy is available on the website of the Company at https://www.godrejproperties.com/investor/corporategovernance

d) Policy for determining Material Subsidiary

As required under SEBI LODR Regulations, the Company has formulated a Policy for determining 'material' subsidiaries which has been put up on the website of the Company at https://www.godrejproperties.com/investor/corporategovernance.

e) 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 (ICC) of Godrej Properties Limited has been formed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder. Ms. Tanya Dubash is the Chairperson of the Internal Complaints Committee and Ms. Nisaba Godrej acts as a representative of Godrej Group along with other Committee members viz Mr. Sumit Mitra, Ms. Neera Nundy, Co- Founder of Dasra, Ms. Ruhie Pande and Ms. Snehal Ponde. During the year ended March 31, 2017, the ICC did not receive any nil complaint pertaining to sexual harassment.

f) Policy on Determination of Materiality of Events

The Company has also adopted Policy on Determination of Materiality of Events and Policy on Archival of Documents which has been put up on the website of the Company at https://www.godrejproperties.com/investor/corporategovernance.

g) The commodity price risk or foreign exchange risk and hedging activities are covered in Management Discussion and Analysis Report.

h) Dividend Distribution Policy

As required under SEBI LODR Regulations, the Company has formulated a Policy for dividend distribution which has been put up on the website of the Company at https://www.godrejproperties.com/investor/corporategovernance.

i) Details of Demat Suspense Account

As per Schedule V of Part F of SEBI LODR Regulations 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 2016-17)	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

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

j) 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 205A and 205C of the Companies Act, 1956 (Section 124 and 125 of the Companies Act, 2013):

Sr. No.	Financial Year	AGM	Date of declaration of dividend	Dividend declared per share (₹)	Due date for transfer unclaimed/unpaid dividend to IEPF
1	2009-10	25th	July 17, 2010	4.00	August 22, 2017
2	2010-11	26th	July 22, 2011	4.50	August 27, 2018
3	2011-12	27th	July 28, 2012	3.00	September 2, 2019
4	2012-13	28th	July 27, 2013	4.00	September 1, 2020
5	2013-14	29th	August 2, 2014	2.00	September 7, 2021
6	2014-15	30th	August 4, 2015	2.00	September 9, 2022

9) DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS OF SEBI LODR REGULATION:

I. Disclosure on website in terms of listing regulations

Item	Compliance Status (Yes/No/NA) refer note below
Details of business	Yes
Terms and conditions of appointment of independent directors	Yes
Compositions of various committees of board of directors	Yes
Code of conduct of board of directors and senior management personnel	Yes
Details of establishment of vigil mechanism/ Whistle Blower policy	Yes
Criteria of making payments to non-executive directors	Disclosed in Annual Report
Policy for dealing with related party transactions	Yes
Policy for determining 'material' subsidiaries	Yes

I. Disclosure on website in terms of listing regulations	
Item	**Compliance Status (Yes/No/NA) refer note below**
Details of familiarization programmes imparted to independent directors	Yes
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	Yes
Email address for grievance redressal and other relevant details	Yes
Financial results	Yes
Shareholding pattern	Yes
Details of agreements entered into with the media companies and/or their associates	Not Applicable
New name and the old name of the listed entity	Not Applicable

II. Annual Affirmations		
Particulars	**Regulation Number**	**Compliance status (Yes/ No/NA) refer note below**
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1)	Yes
Meeting of Board of directors	17(2)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of nomination & remuneration committee	19(1) & (2)	Yes
Composition of Stakeholder Relationship Committee	20(1) & (2)	Yes
Composition and role of risk management committee	21(1),(2),(3),(4)	Not Applicable
Vigil Mechanism	22	Yes
Policy for related party Transaction	23(1),(5),(6),(7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
Approval for material related party transactions	23(4)	Not Applicable
Composition of Board of Directors of unlisted material Subsidiary	24(1)	Yes

II. Annual Affirmations		
Particulars	**Regulation Number**	**Compliance status (Yes/ No/NA) refer note below**
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	Yes
Maximum Directorship & Tenure	25(1) & (2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarization of independent directors	25(7)	Yes
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non-Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2)	Yes
Policy with respect to Obligation of Directors and senior management	26(5)	Not Applicable
Obligation with respect to KMPs, Directors and Promoters	26(6)	Not Applicable

Pursuant to Regulation 7(2) of the SEBI LODR Regulations, certificates on half yearly basis have been issued by a qualified practicing Company Secretary confirming the compliance of share transfer formalities by the Company.

A reconciliation of share capital audit is conducted by a qualified practicing Company Secretary on a quarterly basis, confirming that the total issued/paid up equity share capital of the Company is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form.

10) DISCRETIONARY DISCLOSURES

The status of compliance with non-mandatory recommendations of the SEBI LODR Regulations.

a) **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.

b) **Audit Qualifications:** The Company's financial statements for the year 2016-17 do not contain any audit qualification.

c) **Separate posts of Chairman and CEO:** The positions of the Chairman and the CEO in the Company are separate.

d) **Reporting of Internal Auditor:** The Internal Auditors of the Company directly report to the Audit Committee.

REPORT ON CORPORATE GOVERNANCE

Declaration by Managing Director & CEO

I, Mohit Malhotra, Managing Director & Chief Executive Officer of Godrej Properties Limited, hereby confirm pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") that:

The Board of Godrej Properties Limited has laid down a Code of Conduct for all Board members and senior management 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, 2017.

Mohit Malhotra
Managing Director & Chief Executive Officer

Place: Mumbai
Date: May 2, 2017

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, 2017, as stipulated in Regulation 17 to 27, Clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements), Regulations, 2015.

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 Regulation 17 to 27, Clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements), Regulations, 2015.

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 LLP
Chartered Accountants
Firm Registration No. 104607W/W100166

Farhad M. Bhesania
Partner
Membership No. 127355

Place: Mumbai
Date: May 4, 2017

BUSINESS RESPONSIBILITY REPORT

PHILANTHROPIC EFFORTS OF THE GODREJ GROUP

The Godrej Group has been at the forefront of philanthropic and social activities for several decades. Twenty-four per cent 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 as well as 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 serve as a second set of lungs for the city. The Godrej Group has continually supported education and supports the Udayachal pre-primary and primary schools, which focus on the all-round development of children. The Udayachal high school has been accredited with the International School Award in recognition of the school incorporating global education into its curriculum and innovation into classroom teaching.

In addition, the Godrej Group has supported initiatives in healthcare through the Godrej Memorial Hospital, which aims to provide quality healthcare at affordable costs. One such initiative is our partnership with 'Smile Train', a US-based NGO, which helps in performing corrective cleft lip and palate surgeries for children from low-income families. The Group offers surgery and hospitalisation to the patients free of cost.

Workplace Giving

Since December 2016, GPL has been supporting Teach For India, World Wild Life Fund and Save the Children India under its Workplace Giving (payroll) program. Under Workplace Giving, employees voluntarily donate a fixed amount every month from their salaries to the selected NGOs. These organizations are selected after due diligence from the Good & Green team.

Teach For India

Since its inception in 2009, GCPL has been supporting Teach for India, which is a nationwide movement of outstanding college graduates and young professionals who will commit 2 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 Fellows (or teachers) in 2 cities across 34 schools and reached out to 3,000 children. The movement has grown in 2016-17 to cover 353 schools in 7 cities with approximately 1,100 fellows, positively impacting nearly 39,500 children.

GODREJ GOOD & GREEN

In conjunction with our vision of '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', which 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 this initiative, the Group aspires to create a more employable Indian workforce, a greener India and innovate for good and green products by 2020.

Specifically, our Group-level goals for 2020 as part of this vision are as follows:

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

We have a comprehensive CSR policy (http://www.godrej.com/policies.html) that outlines programmes and projects we undertake to create a positive impact on our stakeholders. We have a CSR committee in place to review, monitor, and provide strategic inputs for our sustainability efforts.

Over the years, we have aligned our sustainability efforts with national priorities and the needs of our local communities to deliver high-impact programmes that are easy to scale up. Our skill-building initiatives are linked to the National Skill Development Mission. Furthermore, our community development initiatives in areas surrounding our manufacturing units are focused on improving the teaching–learning environment.

BUSINESS RESPONSIBILITY REPORT

We have undertaken several integrated watershed development programmes in partnership with NABARD. These large scale water management projects have been undertaken in drought - prone regions to restore the ecological balance by harnessing, conserving & developing degraded natural resources, and thus providing sustainable livelihood in the region.

In line with the Swachh Bharat Mission, we have initiated several community waste management projects across India by involving colleges local municipalities & societies in deferent parts of the city.

In addition, we run an intensive community awareness and behavior change programme to combat malaria in regions that report a high Annual Parasitic Index (API) through our Elimination of Vector- Borne Endemic Diseases (EMBED) programme. The mainstay of this programme is propagating clean surroundings.

We are supporting renewable energy projects in rural India to address the shortage of energy supply in line with the Deen Dayal Upadhyaya Gram Jyoti Yojana of the Government of India.

Our community projects are supplemented by Brighter Giving, a structured volunteering platform through which our team members can offer their time and skills to help address an NGO's needs. Through Brighter Giving, Godrejites can volunteer their time, knowledge, and skills to help address the specific needs of a non-profit organisation on a project basis.

Brighter Giving also serves as a channel through which our team members can connect with and learn more about Good & Green. The programme has a long-term goal, seeking to enable and drive meaningful initiatives for our non-profit partners and/or their beneficiaries. Volunteers accomplish this by using their professional skills and expertise to develop relevant, implementable, and sustainable solutions for the organisation's with which they work.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company:**

   L74120MH1985PLC035308

2. **Name of the Company:**

   Godrej Properties Limited

3. **Registered address:**

   Godrej One, 5th Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400079.

4. **Website:**

   www.godrejproperties.com

5. **E-mail id:**

   secretarial@godrejproperties.com

6. **Financial Year reported:**

   2016-17

7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service
1.	Construction and Real Estate Development	4100

8. **List three key products/services that the Company manufactures/provides (as in balance sheet):**

   Development of residential and commercial projects.

9. **Total number of locations where business activity is undertaken by the Company:**

   (a) Number of International Locations (Provide details of major 5):

   Singapore

   (b) Number of National Locations:

   The company has business activity in over 12 domestic locations.

10. **Markets served by the Company – Local/State/ National/International:**

    National.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. **Paid up Capital (INR)**

   ₹ 108 crore.

2. **Total Turnover (INR):** ₹ 457.13 crores

3. **Total profit after taxes (INR):** ₹ 124.25 crores

4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):**

   The Company has spent prescribed CSR expenditure amounting to ₹ 1.29 crores, being the 2% of the average net profit of the Company for the last three years as mandated in the Companies Act, 2013.

5. **List of activities in which expenditure in 4 above has been incurred:-**

   The expenditure has been incurred, inter-alia, in the following areas -

   (a) Nipun skill enhancement training.

   (b) Sustainable Environment & Ecological Development Society.

   (c) Rural tribal children's education.

   (d) Research in pulmonary healthcare.

   (e) Developing Watershed project.

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/ Companies?**

   Yes, the Company has 20 subsidiaries as on March 31, 2017.

2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s):**

   GPL encourages subsidiaries to participate in Business Responsibility (BR) initiatives. The Business Responsibility policies of the subsidiaries are in line with the local requirements.

3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**

   No.

SECTION D: BR INFORMATION

1. **Details of Director/Directors responsible for BR**

   (a) Details of the Director/Directors responsible for implementation of the BR policy/policies

   1. **DIN Number**
   2. **Name**
   3. **Designation**

   No director has yet been nominated.

   (b) Details of the BR head

   No director has yet been nominated as BR Head. The Board constituted a Corporate Social Responsibility (CSR) Committee comprising Mr. Pirojsha Godrej, Mr. Mohit Malhotra & Mr. Amit Choudhury as members. Mr. Anubhav Gupta & Ms. Ruhie Pande are steering the social responsibility initiatives.

2. Principle-wise (as per NVGs) BR Policy/policies

(a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
		Business Ethics	Sustainability	Employees' well-being	Stakeholders' Welfare	Human Rights	Environment	Regulatory Policy	Equitable Development	Customer Responsibility
1	**Do you have a policy/ policies for....**	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	**Has the policy being formulated in consultation with the relevant stakeholders?**	The Company has formulated the policies and adopted best practices in its own volition. However, while formulating the policies and adopting the same, the Company has been sensitive to the stakeholders interest.								
3	**Does the policy conform to any national / international standards? If yes, specify?**	The company policies are aligned with Godrej Group policies incorporating the global best practices.								
4	**Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?**	Since all the policies are not required to be approved by the Board, the approval of the Board has been obtained where it is mandatory.								
5	**Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?**	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	**Indicate the link for the policy to be viewed online?**	http://www.godrejproperties.com/investor/corporategovernance (for Code of Conduct; Whistle Blower Policy; Corporate Social Responsibility Policy; Related Party Transactions Policy; Material Subsidiary Policy; Policy on determining materiality of event.)								
7	**Has the policy been formally communicated to all relevant internal and external stakeholders?**	Internal stakeholders are made aware of the policies. External stakeholders are communicated to the extent applicable.								
8	**Does the Company have in-house structure to implement the policy/ policies?**	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	**Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?**	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	**Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?**	Y	Y	Y	Y	Y	Y	Y	Y	Y

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Not Applicable.

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the principles									
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year:

The Board of Directors of the Company assesses various initiatives forming part of the BR performance of the Company at least once a year.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this sreport? How frequently it is published?

The Company publishes the information on BR in the Annual Report of the Company. The hyperlink to view the Annual Report is: www.godrejproperties.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1 : Businesses should conduct and govern themselves with ethics, transparency and accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No.

Does it extend to the Group/Joint Ventures/ Suppliers/Contractors /NGOs/ Others?

The code applies to every employee of the company and the endeavor is to extend this code to all its suppliers, contractors and business partners.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

During the year no complaints were received from any of the stakeholders.

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

Godrej Group's Good & Green vision supports the development of products that are environmentally sustainable. As part of the vision, the Company aspires to develop products that consumes fewer resources (energy and water), emit fewer greenhouse gases, and include recyclables, renewables, and/or natural materials.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

(a) Residential

(b) Commercial

(c) Townships

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Due to efficient fixtures used in our projects across the portfolio, the reduction in consumption is as follows:

- Freshwater Demand: 25-30%
- Energy: 12-15%

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

- 65-70% of the Raw Materials used are obtained locally within a distance of 400km
- FSC Certified wood used for projects, making sure the timber is sourced responsibly
- Materials with high recycled content given preference, to avoid stress on virgin materials

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

- Local vendors are preferred for raw materials and equipment needed during the construction
- Selection is done based on quality, and preference is given to the local vendors

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so

- Construction waste segregated based on their utility, and reused on site for backfilling or leveling purpose
- Construction waste not being reused on site is sent for recycling by appropriate agencies
- Treating >10% of organic waste during operation (100% Organic Waste treated on site)

Principle 3 : Businesses should promote the wellbeing of all employees

Code of Conduct:

GPL focuses on ensuring the well-being of all our team members. The safety and health of our team members is extremely important to us and we are committed to building and maintaining a safe and healthy workplace. Ensuring diversity, zero discrimination, safety, health and other attributes essential to a healthy and good working environment are part of our Code of Conduct. All employees who join GPL demonstrate their commitment to follow the Code of Ethics by signing in their acceptance to adhere to the same. The Code of Conduct is also available on the internal employee portal. Examples of a few of the principles of this code of conduct are listed below:

A. Diversity, Anti-discrimination and Equal Opportunities Policy:

We recognize merit and perseverance and encourage diversity in the Company. We do not tolerate any form of discrimination on the basis of nationality, race, colour, religion, caste, gender, gender identity or expression, sexual orientation, disability, age, or marital status and will allow for equal opportunities for all the team members.

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. Godrej Industries Limited and Associate Companies also subscribes to the CII-ASSOCHAM Code of Conduct for Affirmative Action.

Ms. Nisaba Godrej serves as the Diversity Ombudsman for the team members and seeks to resolve any complaints or queries which are raised in relation to this.

At the sourcing stage we ensure that diversity profiles are forming part of talent pool being assessed for any role, merit being the sole criterion for selection. We are driving our efforts to make all our workplaces and functions conducive for women.

B. 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. We have ensured compliance with the Sexual Harassment

of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the "Act"). We have constituted an Internal Complaints Committee in accordance with the Act and updated the Group's policy to ensure that women are protected against sexual harassment at the workplace. Every team 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 and correct behaviour that violates this policy.

C. Safety and Health:

We remain committed to protecting and building a safe and healthy workplace.

GPL is committed to building and maintaining a safe and healthy workplace and provides a safe and healthy working environment, equipment and systems of work for all team members. The Company provides the information, training and supervision needed for this purpose.

Furthermore, we are committed to the health and well-being of our team members and have an onsite medical centre, hospital and children's day care facility within the Godrej Vikhroli campus.

Womens Area

A women's area has been designed for Godrej Group women employees as a resting and nursing space especially for expecting mothers, new mothers and women with special needs. However, other women may also use this space if needed.

Some of the facilities provided are:

1. Three resting rooms with mini fridge inside
2. Lounge seating with magazines and newspapers
3. Tea/Coffee station available throughout the day during operational hours
4. First aid and essential medicines

Progressive Human Resource Policies:

GPL prides itself as a great place to work, a fact recognised and acknowledged externally as well. HR policies like flexible work hours, work from home arrangements, part-time work, to name a few, go a long way in ensuring that our team members successfully strike a work-life balance.



A. Maternity and Paternity Leave and Benefits Policy:

We are one of the leading companies in India to provide a fully paid six months maternity leave and benefits and a flexible work arrangement for a maximum duration of 6 months, from the date one resumes work. We also have three months adoption leave and benefits and paternity leave and benefits options.

B. Late Night Cab Facility and Uber for Business:

The safety and well-being of all Godrejites is something we care deeply about. We have a late night cab facility for our Mumbai based team members for their safe travel from work to home when working late in the office.

The Company further provides Uber for Business service, which can be availed by employees travelling for Company related work.

C. Careers 2.0 Programme:

A recent initiative from the Godrej Industries Group is the Career 2.0 programme, which provides a transition platform for women professionals who have taken a career break but now wish to return to work. The objective of this initiative is to tap the leaking talent pipeline of high potential performers & facilitate their re-entry into the corporate world. The participants are offered attractive project stipends to work on live business projects on a flexi/part time basis.

D. Sustenance Allowance Policy:

We also provide sustenance allowance to our specially abled team members. This financial support is provided to our team members who require additional infrastructure and safe travel from home to office. The objective is to ameliorate the living conditions and provide better opportunities and sustenance to specially abled employees of GPL.

1. **Please indicate the Total number of employees** : 956 (including sub-staff)
2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis** : 23
3. **Please indicate the Number of permanent women employees** : 256
4. **Please indicate the Number of permanent employees with disabilities** : 0
5. **Do you have an employee association that is recognized by management** : No
6. **What percentage of your permanent employees are members of this recognized employee association?** 0
7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

Sr. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1.	Child labour/ forced labour/ involuntary labour	Nil	Nil
2.	Sexual harassment	Nil	Nil
3.	Discriminatory employment	Nil	Nil

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**
   - Permanent Employees – 63%
   - Permanent Women Employees – 25%
   - Casual/Temporary/Contractual Employees - Nil
   - Employees with Disabilities - Nil

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

1. **Has the Company mapped its internal and external stakeholders? Yes/No**

   Yes

2. **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?**

   The Company has identified and is responsive to the needs of all its stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

   Under its Brighter Giving volunteering program, the volunteers were partnered with local NGOs that serve diverse communities and work on women empowerment, education, holistic child development through mentoring and working with differently abled people.

   GPL volunteers worked on various projects with NGOs, including designing their marketing strategies, creating HR policies and organizational structure, teaching basic design skills and conducting career counseling sessions for adolescents from marginalized communities. With 6-12 month commitments, employees have been able to create an impact in their projects.

   Employees also participated in Standard Chartered Mumbai Marathon (SCMM) 2015 to support and raise funds for Teach for India. The funds raised by employees are further used to provide better education facilities to children from marginalized background.

Employees celebrated and participated in events at the labor camps at Ahmedabad region. 200 children from the age group of 2 to 12 years were involved in celebrating Christmas.

A career counseling session was organized for children from multiple NGOs to expose them to the workings of organizations such as Godrej and hence incentivize education. This was followed by an educational trip to the mangroves.

Principle 5 : Businesses should respect and promote human rights

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/ Other?**

   The Company has a policy that is applicable to all our team members in the Company. For its subsidiaries and joint ventures, the policy is applicable in line with the local requirements prevailing in the area of operation. The Company encourages its Business Partners to follow the policy.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

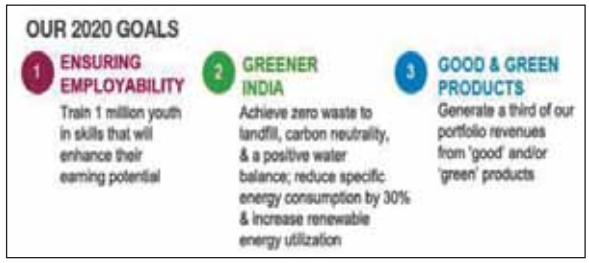
   During the year under review, no complaints were received from any stakeholder.

Nil

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

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others.**

   Godrej Properties Ltd., as part of the larger GILAC group has committed to ensuring specific environmental goals by 2020 under the group wide policy of 'Good & Green'. 'Green' relates to the natural environment and the business's role in preserving & protecting the same and extends to group companies, suppliers, vendors and contractors and Green program partners.



More information on our Good & Green goals and programs can be found at: http://www.godrejgoodandgreen.com.

2. **Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

   Godrej Properties Ltd. is committed to ensuring environmental responsibility within our business. In the previous financial year, we have extended our commitment to sustainability across all domains of our business. In order to meet the Godrej Group's 2020 Good & Green goals, the Company has set up environmental monitoring & reporting systems using the Global Reporting Initiative Generation 4 (GRI Generation 4) framework. GRI is a non-financial disclosure of performance indicators that cover Social, Environmental & Economic aspects. This assessment has ensured a continuous integration of sustainable practices across operations at GPL. We have base-lined our consumption patterns and are now able to monitor and access efficiency in operational practices, processes, technologies and materials and understand our environmental footprints. We have initiated cross functional learnings and best practices as well as mitigation and offset projects to reduce our environmental footprints. More information on our Good & Green goals and programs can be found at: http://www.godrejgoodandgreen.com.

3. **Does the Company identify and assess potential environmental risks? Y/N**

   - Environmental Impact Assessment is carried out for large projects which can have a major impact on the surrounding environment
   - Strategies to minimize or negate the impact are worked out for every specific project

- Soil Erosion control measures to avoid any contamination of the site and/or surrounding areas
- Retaining at least 15-20% of the natural topography, ensures minimum impact to environment
- Developing over virgin ground creates issues for water percolation into the ground. This is taken care of by taking proper measures for rainwater harvesting and recharge.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   - Godrej One and Godrej BKC both use Solar PV Panels to generate a part of their electricity requirement on-site

5. **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

   - *Godrej Prana, Pune:* Uses Solar PV Panels to accommodate the Lighting and Switch Load for the marketing offices (sales office, sample apartment, project office) and uses grid power for Air Conditioning load
   - *Godrej BKC, Mumbai:* Using the highest efficiency solar panels currently available in the market to generate 1% of the building's entire connected load
   - *Energy Efficiency:* Use of atleast BEE 3-star rated equipment; use of highly efficient glazing to decrease the load on air conditioning are standard practice for all major projects

6. **Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   - Not Applicable -

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year**.

   - Not Applicable -

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

1. **Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

   GPL ensures that its policy consists of the highest degree of responsible and ethical behaviour and works with collective platforms such as trade and industry chambers and associations to raise matters with the relevant government bodies. GPL is a member of CII, FICCI, and other trade associations.

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No;**

   If yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)

   GPL has representation through CII and other trade associations for advancement/improvement of public good.

Principle 8 : Businesses should support inclusive growth and equitable development

Our Good & Green vision inspires each one of us at Godrej to continue to work towards building a brighter, greener, and more inclusive India. As part of our employability programmes, we have trained over 130,000 young people from low-income groups in skills that will enhance their earning potential. You can find more details about our programmes at www.godrejgoodandgreen.com.

1. **Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.**

   Godrej recognizes and encourages the skill development initiatives championed by the government to increase employability and hence employment of the youth. In pursuance of Godrej's social responsibility commitments, GPL runs Nipun, a program developed to train and upskill blue collar workers in construction and allied trades. In FY 2016-17, we've enabled training and certification of more than eight thousand four hundred beneficiaries in skills

such as Bar-bending, Masonry & Plastering, Painting, Shuttering Carpentry, Tiling and Housekeeping. These trainings are conducted in various states across the country including Delhi, Gujarat, Maharashtra, Karnataka, West Bengal, Jharkhand and Bihar.

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?**

   The programs are delivered by NGOs and trainings partners and are managed by our in-house team.

3. **Have you done any impact assessment of your initiative?**

   Yes. We have conducted a third party impact assessment of the initiative.

4. **What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**

   Our community includes the workmen at our sites for whom we conduct regular skill trainings under Nipun. More information on Nipun is given under section 8.1.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

   NA

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

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

   Nil

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)**

   Not applicable

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

   No

4. **Did your Company carry out any consumer survey/ consumer satisfaction trends?**

   Yes

FINANCIALS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GODREJ PROPERTIES LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **GODREJ PROPERTIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit (financial performance including other comprehensive income), cash flows and the changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS 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 standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2017, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the **"Annexure A"**, a statement on the matters specified in the paragraph 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.

   e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 43 (a) (I) to the standalone Ind AS financial statements;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

      iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. The Company has provided requisite disclosures in the standalone Ind AS financial statements as to its holdings as well as dealings in Specified Bank Notes as specified in the Notification G.S.R. 308(E) dated March 30, 2017 of the Ministry of Corporate Affairs, during the period from November 08, 2016 to December 30, 2016. Based on audit procedures performed and relying on the management representation we report that the disclosures are in accordance with the relevant books of account maintained by the Company and as produced to us by the Management of the Company – Refer Note 51 to the standalone Ind AS financial statements.

For **KALYANIWALLA & MISTRY LLP**
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W/W100166

FARHAD M. BHESANIA
PARTNER
Membership Number 127355

Place: Mumbai
Dated: May 04, 2017

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Para 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended March 31, 2017.

Statement on Matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2016:

i. (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 programme 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 nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii. The inventory includes construction work in progress and cost of development rights in identified land. Physical verification of inventory has been conducted at reasonable intervals by the Management. No material discrepancies were noticed on such verification.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Therefore, the provisions of sub-clauses (a), (b) and (c) of paragraph 3(iii) of the Order are not applicable.

iv. In our opinion and according to the information and explanations given to us, provisions of Section 186 of the Act in respect of loans and guarantees given and investments made have been complied with by the Company. In our opinion and according to the information and explanations given to us, the Company has not advanced any loans to the persons covered under Section 185 or granted securities under Section 186 of the Act.

v. In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder, with regard to deposits accepted from the public.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government of India for maintenance of cost records under sub-section (1) of section 148 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.

vii. (a) According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities, wherever applicable and there are no such outstanding dues as at March 31, 2017, for a period of more than six months from the date they became payable.

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

Sr. No.	Name of the statute	Amount (INR in crore)	Financial Year (F.Y.) to which the amount relates	Forum where dispute is pending
1.	Income Tax Act, 1961	0.38	2006-07	Commissioner of Income Tax (Appeals)
2.	Income Tax Act, 1961	19.21	2011-12	Commissioner of Income Tax (Appeals)
3.	Income Tax Act, 1961	0.04	2011-12	Income Tax Appellate Tribunal (ITAT)
4.	Income Tax Act, 1961	1.48	2012-13	Commissioner of Income Tax (Appeals)
5.	Income Tax Act, 1961	18.43	2013-14	Commissioner of Income Tax (Appeals)
6.	MVAT Act, 2002	9.12	2007-08	The Joint Commissioner of Sales Tax (Appeals) - V

Sr. No.	Name of the statute	Amount (INR in crore)	Financial Year (F.Y.) to which the amount relates	Forum where dispute is pending
7.	MVAT Act, 2002	0.62	2008-09	The Deputy Commissioner of Sales Taxes (Appeals) – IV
8.	MVAT Act, 2002	9.67	2009-10	The Joint Commissioner of Sales Tax (Appeals) - V
9.	MVAT Act, 2002	1.16	2010-11	The Joint Commissioner of Sales Tax (Appeals) - V
10.	Finance Act, 1994	40.65	2005-2011	Customs, Excise & Service Tax Appellate Tribunal, Bangalore

viii. 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 borrowings to banks and Financial Institutions. The Company does not have loans or borrowings from government or debenture holders.

ix. According to the information and explanations given to us, the Company has neither raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.

x. During the course of our examination of the books of account and records of the Company, and according to the information and explanation given to us and representations made by the Management, no material fraud by or on the Company by its officers or employees, has been noticed or reported during the year.

xi. According to the information and explanations given to us and the records examined by us, the managerial remuneration paid/ provided by the Company is in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company, hence the provisions of paragraph 3(xii) of the Order are not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the standalone Ind AS Financial Statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with the directors or persons connected with him. Hence the provisions of Section 192 of the Act are not applicable.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, hence the provisions of paragraph 3 (xvi) of the Order are not applicable.

For **KALYANIWALLA & MISTRY LLP**
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W/W100166

FARHAD M. BHESANIA
PARTNER
Membership Number 127355

Place: Mumbai
Dated: May 04, 2017

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Para 2 (f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the standalone Ind AS financial statements for the year ended March 31, 2017.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **GODREJ PROPERTIES LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting" issued by the Institute of Chartered Accountants of India.

For **KALYANIWALLA & MISTRY LLP**
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W/W100166

FARHAD M. BHESANIA
PARTNER
Membership Number 127355

Place: Mumbai
Dated: May 04, 2017

BALANCE SHEET AS AT MARCH 31, 2017

INR (in Crore)

Particulars	Note	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
ASSETS				
Non Current Assets				
Property, Plant and Equipment	2	**76.69**	80.70	9.06
Capital Work-in-Progress	2	**0.01**	0.21	67.49
Intangible Assets	2	**27.00**	28.64	30.34
Intangible Assets under Development	2	**0.02**	0.32	0.10
Financial Assets				
Investments in Subsidiaries, Joint Ventures & Associate	3	**618.74**	419.06	241.31
Other Investments	4	**211.49**	110.21	68.31
Loans	5	**74.72**	97.09	99.57
Other Non Current Financial Assets	6	**1.90**	3.84	6.94
Deferred Tax Assets (Net)	7(a)	**73.23**	76.60	80.80
Income Tax Assets (Net)	8	**114.38**	62.20	26.95
Other Non Current Non Financial Assets	9	**15.28**	15.28	15.28
Total Non Current Assets		**1,213.46**	894.15	646.15
Current Assets				
Inventories	10	**1,507.95**	1,355.39	1,118.87
Financial Assets				
Investments	11	**285.21**	188.68	323.98
Trade Receivables	12	**103.98**	75.12	106.65
Cash and Cash Equivalents	13	**51.54**	26.81	20.68
Bank Balances other than above	14	**19.59**	45.98	36.90
Loans	15	**2,457.70**	2,049.28	1,800.37
Other Current Financial Assets	16	**458.17**	605.13	588.55
Other Current Non Financial Assets	17	**92.12**	106.99	120.70
Total Current Assets		**4,976.26**	4,453.38	4,116.70
TOTAL ASSETS		**6,189.72**	5,347.53	4,762.85
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	18	**108.18**	108.13	99.68
Other Equity	19	**1,836.24**	1,677.14	1,590.66
Total Equity		**1,944.42**	1,785.27	1,690.34
LIABILITIES				
Non Current Liabilities				
Financial Liabilities				
Borrowings	20	**-**	-	5.48
Trade Payables	21	**0.52**	-	1.42
Provisions	22	**6.62**	5.43	4.55
Total Non Current Liabilities		**7.14**	5.43	11.45
Current Liabilities				
Financial Liabilities				
Borrowings	23	**3,671.09**	2,769.89	2,050.10
Trade Payables	24	**77.32**	80.51	72.45
Other Current Financial Liabilities	25	**197.60**	414.26	611.12
Other Current Non Financial Liabilities	26	**288.98**	290.98	323.77
Provisions	27	**0.17**	0.14	1.29
Current Tax Liabilities (Net)	28	**3.00**	1.05	2.33
Total Current Liabilities		**4,238.16**	3,556.83	3,061.06
Total Liabilities		**4,245.30**	3,562.26	3,072.51
TOTAL EQUITY AND LIABILITIES		**6,189.72**	5,347.53	4,762.85
Accounting Policies	1			

The accompanying notes 1 to 53 form an integral part of the Financial Statements

As per our Report of even date.
For **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Registration Number 104607W/W100166

FARHAD M. BHESANIA
Partner
Membership Number 127355
Mumbai, Dated: May 04, 2017

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

PIROJSHA GODREJ
Executive Chairman
DIN: 00432983

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

SURENDER VARMA
Company Secretary
ICSI Membership No: A10428

RAJENDRA KHETAWAT
Chief Financial Officer

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2017

INR (in Crore)

Particulars	Note	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
INCOME			
Revenue from Operations	29	**457.14**	374.17
Other Income	30	**248.14**	222.12
Total Income		**705.28**	596.29
EXPENSES			
Cost of Sales	31	**246.27**	245.57
Employee Benefits Expense	32	**46.25**	44.68
Finance Costs	33	**177.17**	152.23
Depreciation and Amortisation	2	**13.03**	13.57
Other Expenses	34	**108.87**	108.49
Total Expenses		**591.59**	564.54
Profit Before Tax		**113.69**	31.75
Tax Expense			
Current Tax	7 (b)	**3.34**	4.41
Deferred Tax	7 (a)	**(13.90)**	4.61
Profit for the Year		**124.25**	22.73
Other Comprehensive Income			
Items that will not be subsequently reclassified to profit or loss			
Remeasurements of the defined benefit plan		**(0.47)**	(0.93)
Tax on above	7 (c)	**0.16**	0.32
Total Comprehensive Income for the Year		**123.94**	22.12
Earnings Per Equity Share (Amount in INR)			
Basic	35	**5.77**	1.08
Diluted	35	**5.74**	1.08
Accounting Policies	1		

The accompanying notes 1 to 53 form an integral part of the Financial Statements

As per our Report of even date.
For **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Registration Number 104607W/W100166

FARHAD M. BHESANIA
Partner
Membership Number 127355
Mumbai, Dated: May 04, 2017

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

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Executive Chairman
DIN: 00432983

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

SURENDER VARMA
Company Secretary
ICSI Membership No: A10428

RAJENDRA KHETAWAT
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2017

a) Equity Share Capital

INR (in Crore)

Particulars	As at March 31, 2017	As at March 31, 2016
Balance at the beginning of the reporting year	**108.13**	99.68
Changes in equity share capital during the year	**0.05**	8.45
Balance at the end of the reporting year	**108.18**	108.13

b) Other Equity

INR (in Crore)

Particulars	Reserves and Surplus							Total
	Capital Reserve	Capital Reserve on Account of Amalgamation	Securities Premium	Employee Stock Grant Scheme Reserve	General Reserves	Retained Earnings	Treasury Shares	
Balance as at April 1, 2015	-	(31.87)	1,693.28	4.72	9.80	(55.15)	(30.12)	1,590.66
Total Comprehensive Income for the year								
i) Adjustment arising on amalgamation of Subsidiary	-	141.62	-	-	-	-	-	141.62
ii) Additions during the year	-	-	3.84	2.99	-	0.44	-	7.27
iii) Utilisations during the year	-	-	(0.45)	(3.85)	-	-	-	(4.30)
iv) Adjustment towards Put Option Liability	-	-	-	-	-	(32.21)	-	(32.21)
v) Profit for the year	-	-	-	-	-	22.73	-	22.73
vi) Other Comprehensive Income	-	-	-	-	-	(0.61)	-	(0.61)
Total	-	109.75	1,696.67	3.86	9.80	(64.80)	(30.12)	1,725.16
Contributions and Distributions								
Dividends (including DDT)	-	-	-	-	-	(48.02)	-	(48.02)
Balance as at March 31, 2016	-	109.75	1,696.67	3.86	9.80	(112.82)	(30.12)	1,677.14
Total Comprehensive Income for the year								
i) Additions during the year	7.20	-	2.55	2.38	-	0.11	30.12	42.36
ii) Utilisations during the year	-	-	-	(2.55)	-	-	-	(2.55)
iii) Adjustment towards Put Option Liability	-	-	-	-	-	(4.65)	-	(4.65)
iv) Profit for the year	-	-	-	-	-	124.25	-	124.25
v) Other Comprehensive Income	-	-	-	-	-	(0.31)	-	(0.31)
Balance as at March 31, 2017	**7.20**	**109.75**	**1,699.22**	**3.69**	**9.80**	**6.58**	**-**	**1,836.24**

The accompanying notes 1 to 53 form an integral part of the Financial Statements

As per our Report of even date.
For **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Registration Number 104607W/W100166

FARHAD M. BHESANIA
Partner
Membership Number 127355
Mumbai, Dated: May 04, 2017

Signatures to the Statement of Changes in Equity and Notes to Financial Statements
For and on behalf of the Board

PIROJSHA GODREJ
Executive Chairman
DIN: 00432983

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

SURENDER VARMA
Company Secretary
ICSI Membership No: A10428

RAJENDRA KHETAWAT
Chief Financial Officer

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2017

INR (in Crore)

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Cash Flow from Operating Activities		
Profit before Tax	**113.69**	31.75
Adjustment for:		
Depreciation and Amortisation	**13.03**	13.57
Finance Costs	**177.17**	152.23
(Profit)/ Loss on sale of Property, Plant & Equipment and Intangible Assets (Net)	**(0.21)**	(0.02)
Assets Written off	**0.00**	0.25
Share of Profit and Loss in Limited Liability Partnerships (Net of Taxes)	**(88.10)**	(18.00)
Share Based Payments	**2.49**	2.98
Expenses of Amalgamation	**1.35**	3.90
Diminution in value of investments	**-**	0.00
Interest Income	**(233.10)**	(191.72)
Dividend Income	**(0.00)**	(0.00)
Income from Investment measured at FVTPL	**(13.78)**	(27.94)
Operating Profit before working capital changes	**(27.46)**	(33.00)
Adjustment for:		
Increase/(Decrease) in Non Financial Liabilities	**87.32**	(0.21)
Increase/(Decrease) in Financial Liabilities	**(220.85)**	(37.40)
(Increase)/Decrease in Inventories	**(53.75)**	(139.36)
(Increase)/Decrease in Non Financial Assets	**32.12**	13.30
(Increase)/Decrease in Financial Assets	**(419.70)**	(180.80)
	(574.86)	(344.47)
Taxes Paid (Net)	**(53.57)**	(40.95)
Net Cash Flow from Operating activities	**(655.89)**	(418.42)
Cash Flow from Investing Activities		
Purchase of Property, Plant & Equipment and Intangible Assets	**(6.96)**	(16.77)
Sale of Property, Plant & Equipment and Intangible Assets	**0.29**	0.09
Sale/ (Purchase) of Investments	**(168.46)**	121.01
(Investments in) / Withdrawal from Subsidiaries and Joint Ventures	**(0.04)**	(30.20)
Expenses of Amalgamation	**(3.85)**	(0.47)
Interest Received	**200.61**	120.54
Dividend Received	**0.00**	0.00
Net Cash Flow from Investing Activities	**21.59**	194.20

INR 0.00 represents amount less than INR 50,000

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2017

INR (in Crore)

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Cash Flow from Financing Activities		
Proceeds from Issue of Equity Share Capital (net of issue expenses)	**0.05**	0.08
Proceeds from / (Repayment of) Long Term Borrowings (Net)	**(5.49)**	(196.68)
Proceeds from / (Repayment of) Short Term Borrowings (Net)	**657.46**	825.58
Interest Paid	**(271.55)**	(249.38)
Proceeds from Sale of Treasury Shares	**34.81**	-
Payment of Dividend	**(0.00)**	(39.89)
Tax on Distributed Profits	**-**	(8.12)
Net Cash Flow from Financing Activities	**415.28**	331.59
Net Increase in Cash & Cash Equivalent	**(219.02)**	107.37
Cash & Cash Equivalent -Opening Balance	**16.00**	(95.92)
Acquired Pursuant to the Scheme of Amalgamation	**-**	4.55
Cash & Cash Equivalent -Closing Balance	**(203.02)**	16.00

Notes :

1. Reconciliation of Cash and Cash Equivalents as per the Statement of Cash Flows

Cash and Cash Equivalents as per the above comprise of the following:

Particulars	March 31, 2017	March 31, 2016
Cash and Cash Equivalents (Refer Note 13)	**51.54**	26.81
Less: Bank Overdrafts repayable on Demand (Refer Note 23)	**254.56**	10.81
Cash and Cash Equivalents	**(203.02)**	16.00

2. The above Statement of Cash Flow include INR 1.29 Crore (Previous Year: INR 2.05 Crore) towards Corporate Social Responsibility (CSR) activities (Refer Note 47).

INR 0.00 represents amount less than INR 50,000

The accompanying notes 1 to 53 form an integral part of the Financial Statements

As per our Report of even date.
For **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Registration Number 104607W/W100166

FARHAD M. BHESANIA
Partner
Membership Number 127355
Mumbai, Dated: May 04, 2017

For and on behalf of the Board

PIROJSHA GODREJ
Executive Chairman
DIN: 00432983

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

SURENDER VARMA
Company Secretary
ICSI Membership No: A10428

RAJENDRA KHETAWAT
Chief Financial Officer

Note 1

Basis of accounting and preparation of Financial Statements

a) Company Overview

Godrej Properties Limited ("the Company") is engaged primarily in the business of real estate construction, development and other related activities. The Company is a public limited Company incorporated and domiciled in India having its registered office at Godrej One, 5th Floor, Pirojshanagar, Eastern Express Highway, Vikhroli, Mumbai-400079. The Company is listed on BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE).

The Financial Statements of the Company for the year ended March 31, 2017 were approved by the Board of Directors and authorised for issue on May 4, 2017.

b) Basis of accounting

The Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the Section 133 of the Companies Act, 2013 ("the 2013 Act"), and the relevant provisions and amendments, as applicable. The Financial Statements have been prepared on accrual basis under the historical cost convention except certain assets measured at fair value.

These financial statements are the Company's first Ind AS financial statements and are covered by Ind AS 101, First-time adoption of Indian Accounting Standards (Ind AS 101). The transition to Ind AS has been carried out from the accounting principles generally accepted in India ("Indian GAAP") which is considered as the "Previous GAAP" for purposes of Ind AS 101. Under previous GAAP financial statements were prepared in accordance with the Accounting Standards notified under section 133 of the Act read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP") and other relevant provisions of the Act as applicable.

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 & realisation of project into Cash & Cash Equivalents and range from 3 to 7 years. Accordingly project related assets & liabilities have been classified into current & non-current based on operating cycle of respective projects. All other assets and liabilities have been classified into current and non current based on a period of twelve months.

d) Functional and Presentation Currency

These financial statements are presented in Indian rupees, which is the functional currency of the parent company. All financial information presented in Indian rupees has been rounded to the nearest crore.

e) Use of Estimates and Judgements

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

i) Evaluation of percentage completion

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 recognised in the financial statements for the period in which such changes are determined.

NOTES FORMING PART OF FINANCIAL STATEMENTS

ii) Useful life and residual value of property, plant and equipment and intangible assets

Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on internal technical evaluation. Assumptions are also made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

The estimation of residual values of assets is based on management's judgment about the condition of such asset at the point of sale of asset.

iii) Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and attrition rate. The discount rate is determined by reference to market yields at the end of the reporting period on government securities. The period to maturity of the underlying securities correspond to the probable maturity of the post-employment benefit obligations.

iv) Share based Payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Company uses Black-Scholes model. The assumptions used for estimating fair value for share-based payment transactions are disclosed in Note 40.

v) Fair value measurement of financial instruments

When the fair values of the financial assets and liabilities recorded in the balance sheet cannot be measured based on the quoted market prices in active markets, their fair value is measured using valuation technique. The inputs to these models are taken from the observable market where possible, but where this is not feasible, a review of judgement is required in establishing fair values. Changes in assumptions relating to these assumptions could affect the fair value of financial instruments.

f) Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of Cash Flows'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of Cash Flows'. The amendments are applicable to the Company from April 1, 2017. The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is currently evaluating the effect of the above amendments.

g) Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Significant Accounting Policies

a) Business Combination

i) The Company accounts for each business combination (other than common control transactions) by applying the acquisition method. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another.

ii) The Company measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred, including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (measured at fair value) of the identifiable assets acquired and liabilities (including contingent liabilities in case such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably) assumed. When the fair value of the net identifiable assets acquired and liabilities assumed exceeds the consideration transferred, a bargain purchase gain is recognised as capital reserve.

iii) Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Company to the previous owners of the acquiree, and equity interests issued by the Company. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to settlement of pre-existing relationships.

iv) Transaction costs that the Company incurs in connection with a business combination are expensed as incurred.

v) Put options issued to non-controlling interests are recognised as a liability and the subsequent changes in the put option are recognised directly in reserves.

vi) Common control transactions are accounted for based on pooling of interests method where the assets and liabilities of the acquiree are recorded at their existing carrying values, the identity of reserves of the acquiree is preserved and the difference between consideration and the face value of the share capital of the acquiree is transferred to capital reserves.

The financial information in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements irrespective of the actual date of the combination.

b) Property, Plant and Equipment & Depreciation

i) Recognition and Measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

NOTES FORMING PART OF FINANCIAL STATEMENTS

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Property, plant and equipment are derecognised from financial statement, either on disposal or when no economic benefits are expected from its use or disposal. The gain or loss arising from disposal of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of Property, plant and equipment recognised in the statement of profit and loss account in the year of occurrence.

ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii) Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on Property, Plant and Equipment of the Company has been provided as per the written down value method as per the useful lives of the respective item of Property, Plant and Equipment.

Assets costing less than INR 5,000/- are depreciated at 100% in the year of acquisition.

Assets acquired on lease and leasehold improvements are depreciated over the period of the lease on straight line basis.

c) Intangible Assets

i) Recognition and Measurement:

Items of Intangible Assets are measured at cost less accumulated amortisation and impairment losses, if any. The cost of intangible assets comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

ii) Subsequent Expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii) Amortisation

Intangible assets are amortised over their estimated useful life on Straight Line Method.

Trademark is amortised over a period of 20 years.

Intangible Assets (other than trademark) are amortised over a period of six years.

d) Impairment of Non Financial Assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

Goodwill on business combination is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

e) Foreign currency transactions/translations

Transactions in foreign currencies are translated to the Company's functional currency at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date.

Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in the income statement in the period in which they arise.

f) Investment in Subsidiaries, Joint Ventures and Associate

Investments in equity shares of Subsidiaries, Joint Ventures & Associates are recorded at cost and reviewed for impairment at each reporting date.

g) Financial instruments

I. Financial Assets

i) Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

ii) Initial recognition and measurement

The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

iii) Subsequent measurement

For the purpose of subsequent measurement, the financial assets are classified in three categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through profit or loss
- Equity investments

iv) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

NOTES FORMING PART OF FINANCIAL STATEMENTS

- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

v) Debt instruments at Fair Value through Profit or Loss

Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

vi) Equity investments

All equity investments other than investment in subsidiaries, joint venture and associates are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in other comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

vii) Derecognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- the Company has transferred substantially all the risks and rewards of the asset, or
- the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

viii) Impairment of financial assets

The Company applies 'simplified approach' measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance
- Trade receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Loss at each reporting date, right from its initial recognition.

II. Financial Liabilities

i) Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost.

ii) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

iii) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and transactions costs. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to loans and borrowings.

iv) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

v) Offsetting of financial instruments

Financial Assets and Financial Liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

III. Share Capital

i) Ordinary equity shares

Incremental costs directly attributable to the issue of ordinary equity shares are recognised as a deduction from equity.

ii) Treasury shares

The Company has created an Employee Stock Options Trust (ESOP) for providing share-based payment to its employees. The Company uses ESOP as a vehicle for distributing shares to employees under the employee remuneration schemes. The ESOP buys shares of the company from the market, for giving shares to employees. The Company treats ESOP as its extension and shares held by ESOP are treated as treasury shares.

Treasury shares are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting period are deducted from treasury shares.

h) Inventories

Inventories comprising of completed flats and construction-work-in progress are valued at lower of Cost or Net Realisable value.

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.

i) Revenue Recognition

The Company is following the "Percentage of Completion Method" of accounting. As per this method, revenue from sale of properties is recognised 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.

NOTES FORMING PART OF FINANCIAL STATEMENTS

In accordance with the "Guidance Note on Accounting for Real Estate Transactions" (for entities to whom Ind AS is applicable), construction revenue on such projects, measured at the fair value (i.e. adjusted for discounts, incentives, time value of money adjustments etc.), have been recognised on percentage of completion method provided the following thresholds have been met:

i) All critical approvals necessary for the commencement of the project have been obtained;

ii) The expenditure incurred on construction and development costs is not less than 25 per cent of the total estimated construction and development costs;

iii) At least 25 percent of the saleable project area is secured by contracts or agreements with buyers; and

iv) At least 10 percent of the contract consideration 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 recognised in the financial statements for the period in which such changes are determined. Revenue from projects is recognised net of revenue attributable to the land owners. Losses, if any, are fully provided for immediately.

The Company has been entering into Development & Project Management agreements with land-owners. Accounting for income from such projects, measured at fair value, is done on accrual basis as per the terms of the agreement.

Company receives maintenance amount from the customers and utilizes the same towards the maintenance of the respective projects. Revenue is recognised to the extent of maintenance expenses incurred by the Company towards maintenance of respective projects. Balance amount of maintenance expenses to be incurred is reflected as liability under the head other current liabilities.

Interest income is accounted on an accrual basis at effective interest rate.

Dividend income including share of profit in LLP is recognised when the right to receive the same is established.

j) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to items recognised directly in equity or in OCI.

i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognised amounts; and
- Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

k) Employee Benefits

i) Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Defined benefit plans

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, after discounting the same.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses are recognised immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

ii) Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurements are recognised in Statement of Profit and Loss in the period in which they arise.

l) Share-based payment transactions

Employees Stock Options Plans ("ESOPs") and Employee Stock Grant Scheme ("ESGS"): The grant date fair value of options granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognised in connection with share based payment transaction is presented as a separate component in equity under "Employee stock grant scheme reserve". The amount recognised as an expense is adjusted to reflect the actual number of stock options that vest.

NOTES FORMING PART OF FINANCIAL STATEMENTS

m) Leases

i) Finance Lease

Agreements are classified as finance leases, if substantially all the risks and rewards incidental to ownership of the leased asset is transferred to the lessee.

ii) Operating Lease

Agreements which are not classified as finance leases are considered as operating lease.

Operating lease payments/income is recognised as an expense/income in the statement of profit or loss on a straight line basis over the lease term.

n) Borrowing Cost

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing.

Borrowing costs, pertaining to development of long term projects, are transferred to Construction work in progress, as part of the cost of the projects upto the time all the activities necessary to prepare these projects for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period which they are incurred.

o) Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

p) Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

q) Provisions and Contingent Liabilities

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed in the Notes. Contingent liabilities are disclosed for

i) possible obligations which will be confirmed only by future events not wholly within the control of the Company or

ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the Financial Statements.

r) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

s) Transition to Ind AS

As stated in Note b, the Company's financial statements for the year ended March 31, 2017 are the first annual financial statements prepared in compliance with Ind AS.

The adoption of Ind AS was carried out in accordance with Ind AS 101, using April 1, 2015 as the transition date. Ind AS 101 requires that all Ind AS standards that are effective for the first Ind AS Financial Statements for the year ended March 31, 2017, be applied consistently and retrospectively for all fiscal years presented.

All applicable Ind AS have been applied consistently and retrospectively wherever required. The resulting difference between the carrying amounts of the assets and liabilities in the financial statements under both Ind AS and Previous GAAP as of the Transition Date have been recognised directly in equity at the Transition Date.

In preparing these financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101 as explained below:

i) Exemptions from retrospective application:

- Business combination exemption: The Company has applied the exemption as provided in Ind AS 101 on non-application of Ind AS 103, "Business Combinations" to business combinations consummated prior to the date of transition (April 1, 2015). Pursuant to this exemption, goodwill arising from business combination has been stated at the carrying amount under Previous GAAP.
- Share-based payment exemption: The Company has elected to apply the share based payment exemption available under Ind AS 101 on application of Ind AS 102, "Share Based Payment", to grants which remain unvested on April 1, 2015.
- Property, Plant and Equipment; and intangibles exemption: The Company has elected to apply the exemption available under Ind AS 101 to continue the carrying value for all of its property, plant and equipment and intangibles as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (April 1, 2015).

ii) Reconciliations: The following reconciliations provide a quantification of the effect of significant differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

- equity as at April 1, 2015;
- equity as at March 31, 2016; and
- total comprehensive income for the year ended March 31, 2016.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 2 Property, Plant & Equipment and Intangible Assets

INR (in Crore)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1, 2016	Additions during the year	Deductions during the year	As at March 31, 2017	Upto March 31, 2016	For the year	Deductions	Upto March 31, 2017	As at March 31, 2017	As at March 31, 2016
a) Property, Plant & Equipment										
Land	0.06	-	-	0.06	-	-	-	-	0.06	0.06
Building	69.00	-	-	69.00	3.18	3.20	-	6.38	62.62	65.82
Leasehold Improvements	4.40	0.61	0.86	4.15	1.45	0.87	0.86	1.46	2.69	2.95
Office Equipment	2.15	0.22	0.01	2.36	0.67	0.71	0.01	1.37	0.99	1.48
Site Equipments	0.01	0.00	-	0.01	0.00	0.00	-	0.00	0.01	0.01
Furniture & Fixtures	7.27	0.42	0.01	7.68	1.53	1.55	0.00	3.08	4.60	5.74
Computers	6.34	3.30	0.12	9.52	2.98	2.88	0.09	5.77	3.75	3.36
Vehicles	1.76	1.67	0.47	2.96	0.80	0.84	0.42	1.22	1.74	0.96
Electrical Installations and Equipments	0.44	-	-	0.44	0.12	0.09	-	0.21	0.23	0.32
Total Property, Plant & Equipment	**91.43**	**6.22**	**1.47**	**96.18**	**10.73**	**10.14**	**1.38**	**19.49**	**76.69**	**80.70**
b) Intangible Assets										
Licences & Software	6.81	1.25	-	8.06	1.35	1.54	-	2.89	5.17	5.46
Trade Mark	24.53	-	-	24.53	1.35	1.35	-	2.70	21.83	23.18
Total Intangible Assets	**31.34**	**1.25**	**-**	**32.59**	**2.70**	**2.89**	**-**	**5.59**	**27.00**	**28.64**
c) Capital Work-in-Progress									0.01	0.21
d) Intangible Assets under Development									0.02	0.32

INR (in Crore)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1, 2015 (Refer Note (i) below)	Additions during the year	Deductions during the year	As at March 31, 2016	Upto April 1, 2015	For the year	Deductions	Upto March 31, 2016	As at March 31, 2016	As at April 1, 2015
e) Property, Plant & Equipment										
Land	0.06	-	-	0.06	-	-	-	-	0.06	0.06
Building	1.32	67.68	-	69.00	-	3.18	-	3.18	65.82	1.32
Leasehold Improvements	1.66	2.74	-	4.40	-	1.45	-	1.45	2.95	1.66
Office Equipment	0.72	1.61	0.17	2.16	-	0.73	0.06	0.67	1.49	0.72
Site Equipments	0.00	-	-	0.00	-	0.00	-	0.00	0.00	0.00
Furniture & Fixtures	1.55	5.94	0.22	7.27	-	1.59	0.06	1.53	5.74	1.55
Computers	2.59	3.77	0.02	6.34	-	2.99	0.01	2.98	3.36	2.59
Vehicles	1.16	0.65	0.05	1.76	-	0.81	0.01	0.80	0.96	1.16
Electrical Installations and Equipments	-	0.44	-	0.44	-	0.12	-	0.12	0.32	-
Total Property, Plant & Equipment	**9.06**	**82.83**	**0.46**	**91.44**	**-**	**10.87**	**0.14**	**10.73**	**80.70**	**9.06**

INR 0.00 represents amount less than INR 50,000

INR (in Crore)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1, 2015 (Refer Note (i) below)	Additions during the year	Deductions during the year	As at March 31, 2016	Upto April 1, 2015	For the year	Deductions	Upto March 31, 2016	As at March 31, 2016	As at April 1, 2015
f) Intangible Assets										
Licences & Software	5.81	1.00	-	6.81	-	1.35	-	1.35	5.46	5.81
Trade Mark	24.53	-	-	24.53	-	1.35	-	1.35	23.18	24.53
Total Intangible Assets	**30.34**	**1.00**	**-**	**31.34**	**-**	**2.70**	**-**	**2.70**	**28.64**	**30.34**
g) Capital Work-in-Progress									0.21	67.49
h) Intangible Assets under Development									0.32	0.10

Refer Note 23 (a) & (b) for details of Assets pledged.

Note (i): Table showing information regarding gross block of assets and accumulated depreciation & amortisation of Property, Plant and Equipment and Intangible Assets under Indian GAAP as on April 1, 2015

INR (in Crore)

Particulars	As at April 1, 2015		
	Gross Block (At Cost)	Accumulated Depreciation & Amortisation	Net Block
Property, Plant & Equipment			
Land	0.06	-	0.06
Building	1.70	0.38	1.32
Leasehold Improvement	6.62	4.96	1.66
Office Equipment	3.66	2.94	0.72
Site Equipments	0.02	0.02	0.00
Furniture & Fixtures	4.68	3.13	1.55
Computer	7.27	4.68	2.59
Vehicles	3.80	2.64	1.16
	27.81	**18.75**	**9.06**
Intangible Assets			
Licences & Software	12.32	6.51	5.81
Trade Mark	27.00	2.47	24.53
	39.32	**8.98**	**30.34**
Total	**67.13**	**27.73**	**39.40**

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 3 Investments in Subsidiaries, Joint Ventures & Associate

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
a) Investments in Equity Instruments			
(i) Investments in Subsidiary Companies			
450,000 (Previous Year 2016: 450,000; Previous Year 2015: 50,000) Equity Shares of INR10/- each of **Godrej Real Estate Private Limited**	**0.45**	0.45	0.05
50,000 (Previous Year 2016: 50,000; Previous Year 2015: 50,000) Equity Shares of INR 10/- each of **Godrej Buildcon Private Limited**	**0.05**	0.05	0.05
231,552 (Previous Year 2016: 231,552; Previous Year 2015: 219,052) Equity Shares of INR 10/- each of **Godrej Projects Development Private Limited**	**248.69**	248.69	229.82
NIL (Previous Year 2016: Nil; Previous Year 2015: 25,500) Equity Shares of INR 10/- each of **Godrej Premium Builders Private Limited**	**-**	-	0.03
50,000 (Previous Year 2016: 50,000; Previous Year 2015: 50,000) Equity Shares of INR10/- each of **Godrej Garden City Properties Private Limited**	**0.05**	0.05	0.05
450,000 (Previous Year 2016: 450,000; Previous Year 2015: 50,000) Equity Shares of INR 10/- each of **Godrej Green Homes Limited**	**0.45**	0.45	0.05
410,000 (Previous Year 2016: 410,000; Previous Year 2015: Nil) Equity Shares of INR 10/- each of **Godrej Hillside Properties Private Limited**	**0.41**	0.41	-
400,000 (Previous Year 2016: 400,000; Previous Year 2015: Nil) Equity Shares of INR 10/- each of **Godrej Home Developers Private Limited**	**0.40**	0.40	-
1,700,000 (Previous Year 2016: 1,700,000; Previous Year 2015: Nil) Equity Shares of INR 10/- each of **Godrej Investment Advisers Private Limited**	**1.70**	1.70	-
Nil (Previous Year 2016: 5,960,000; Previous Year 2015: Nil) Equity Shares of INR 10/- each of **Godrej Greenview Housing Private Limited** (classified as Joint Venture w.e.f. June 30, 2016)	**-**	5.96	-
Nil (Previous Year 2016: 10,000; Previous Year 2015: Nil) Equity Shares of INR 10/- each of **Wonder Projects Development Private Limited** (classified as Joint Venture w.e.f. September 19, 2016)	**-**	0.01	-
10,000 (Previous Year 2016: 10,000; Previous Year 2015: Nil) Equity Shares of INR 10/- each of **Godrej Highrises Properties Private Limited**	**0.01**	0.01	-
9,999 (Previous Year 2016: 9,999; Previous Year 2015: Nil) Equity Shares of INR 10/- each of **Godrej Prakriti Facilities Private Limited**	**0.01**	0.01	-
9,999 (Previous Year 2016: Nil; Previous Year 2015: Nil) Equity Shares of INR 10/- each of **Prakritiplaza Facilities Management Private Limited**	**0.01**	-	-

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
500,000 (Previous Year 2016: Nil; Previous Year 2015: Nil) Equity Shares of Rs. 1/- per share of **Citystar Infraprojects Limited**	**0.09**	-	-
348,354,920 (Previous Year 2016: Nil; Previous Year 2015: Nil) Equity Shares of INR 10/- each of **Godrej Vikhroli Properties India Limited** (Converted into Limited Company w.e.f. January 25, 2017)	**348.35**	-	-
(ii) Investments in Joint Ventures			
884,850 (Previous Year 2016: 884,850; Previous Year 2015: 884,850) Equity Shares of INR 10/- each of **Godrej Realty Private Limited**	**5.52**	5.52	5.52
111,054 (Previous Year 2016: 107,917; Previous Year 2015: 107,917) Equity Shares of INR 10/- each of (Class B & Ordinary Equity Shares) **Wonder Space Properties Private Limited**	**1.72**	1.66	1.66
810,420 (Previous Year 2016: 810,420; Previous Year 2015: 810,420) Equity Shares of INR 10/- each of **Wonder City Buildcon Private Limited**	**1.61**	1.61	1.61
1,071,770 (Previous Year 2016: 1,071,770; Previous Year 2015: NIL) Equity Shares of INR 10/- each of **Godrej Home Constructions Private Limited**	**2.18**	2.18	-
700,100 (Previous Year 2016: NIL; Previous Year 2015: NIL) Equity Shares of INR 10/- each of **Wonder Projects Development Private Limited** (classified as subsidiary till September 18, 2016)	**0.70**	-	-
176,000 (Previous Year 2016: NIL; Previous Year 2015: NIL) Equity Shares of INR 10/- each of **Godrej Real View Developers Private Limited**	**0.18**	-	-
3,552,500 (Previous Year 2016: NIL; Previous Year 2015: NIL) Class B Equity Shares of INR 10/- each of **Pearlite Real Properties Private Limited**	**3.55**	-	-
1,192,000 (Previous Year 2016: NIL; Previous Year 2015: NIL) Equity Shares of INR 10/- each of **Godrej Greenview Housing Private Limited** (classified as subsidiary till June 29, 2016)	**1.19**	-	-
(iii) Investment in Associate			
3,000 (Previous Year 2016: 3,000; Previous Year 2015: NIL) Equity Shares of INR 10/- each of **Godrej One Premises Management Private Limited**	**0.00**	0.00	-
b) Investment in Preference Shares			
50,999 (Previous Year 2016: 50,999; Previous Year 2015: 25,499) 7% Redeemable Non-cumulative preference Share of INR 10/- each of **Godrej Projects Development Private Limited**	**0.05**	0.05	0.03

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF FINANCIAL STATEMENTS

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
c) Investments In Limited Liabilty Partnerships			
(i) Investments in Subsidiaries			
Godrej Highrises Realty LLP	**0.00**	0.00	-
Godrej Project Developers & Properties LLP	**0.00**	0.00	-
Godrej Vikhroli Properties LLP (Converted to Limited Company w.e.f. January 25, 2017)	**-**	148.54	1.20
(ii) Investments In Joint Ventures			
Mosiac Landmarks LLP	**0.11**	0.11	0.11
Caroa Properties LLP	**0.04**	0.04	0.04
Oxford Realty LLP	**0.00**	0.00	0.00
A R Landcraft LLP	**0.05**	-	-
Dream World Landmarks LLP	**0.04**	0.04	0.04
M S Ramaiah Ventures LLP	**1.01**	1.01	1.01
Oasis Landmarks LLP	**0.00**	0.00	0.00
Godrej SSPDL Green Acres LLP	**0.05**	0.05	0.05
Amitis Developers LLP	**0.05**	0.05	-
Godrej Construction Projects LLP	**0.00**	0.00	-
Bavdhan Realty @ Pune 21 LLP	**0.00**	-	-
Godrej Housing Projects LLP	**0.01**	-	-
Prakhhyat Dwellings LLP	**0.00**	-	-
	618.74	419.06	241.31

Note 4 Other Investments (Non Current)

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
a) Investment in Debentures of Joint Ventures (Fully paid) (at Amortised Cost)			
2,989,095 (Previous Year 2016: 2,989,095; Previous Year 2015: 2,989,095), 1% Secured Redeemable optionally Convertible Debentures of INR 10/- each of **Godrej Realty Private Limited**	**2.99**	2.99	2.99
307,833 (Previous Year 2016: 307,833; Previous Year 2015: 307,833), 17.45% Compulsorily Convertible Debentures Class B of INR 1,000/- each of **Wonder City Buildcon Private Limited**	**31.94**	30.59	30.48
365,541 (Previous Year 2016: 353,618; Previous Year 2015: 353,618), 17.45% Compulsorily Convertible Debentures of INR 1,000/- each of **Wonder Space Properties Private Limited**	**37.52**	35.40	34.84

INR 0.00 represents amount less than INR 50,000

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
413,949 (Previous Year 2016: 413,949; Previous Year 2015: Nil), 17.45% Compulsorily Convertible Debentures of INR 1,000/- each of **Godrej Home Constructions Private Limited**	**41.34**	41.23	-
133,019 (Previous Year 2016: Nil; Previous Year 2015: Nil) 17.45% Compulsorily Convertible Debentures of INR 1,000/- each of **Wonder Projects Development Private Limited**	**13.30**	-	-
674,975 (Previous Year 2016: Nil; Previous Year 2015: Nil) 17 % Unsecured Compulsorily Convertible Debentures of Rs. 1000/- each of **Pearlite Real Properties Private Limited**	**67.50**	-	-
33,440 (Previous Year 2016: Nil; Previous Year 2015: Nil) 17% Unsecured Compulsorily Convertible Debentures of Rs. 1000/- each of **Godrej Real View Developers Private Limited**	**3.34**	-	-
136,880 (Previous Year 2016: Nil; Previous Year 2015: Nil) 17.45% Unsecured Compulsorily Convertible Debentures of Rs. 1000/- each of **Godrej Greenview Housing Private Limited**	**13.55**	-	-
b) Non trade Investments			
(i) Investment in Fully paid up Equity Instruments (at Fair Value through Profit or Loss)			
Quoted Investments			
100 (Previous Year 2016: 100; Previous Year 2015: 100) Equity Shares of INR 10/- each of **Alacrity Housing Limited**	**-**	-	0.00
100 (Previous Year 2016: 100; Previous Year 2015: 100) Equity Shares of INR 10/- each of **Ansal Buildwell Limited**	**0.00**	0.00	0.00
300 (Previous Year 2016: 300; Previous Year 2015: 300) of INR 10/- each of **Ansal Housing & Construction Limited**	**0.00**	0.00	0.00
600 (Previous Year 2016: 600; Previous Year 2015: 600) Equity Shares of INR 5/- each of **Ansal Properties & Infrastructure Limited**	**0.00**	0.00	0.00
100 (Previous Year 2016: 100; Previous Year 2015: 100) Equity Shares of INR 10/- each of **Lok Housing & Construction Limited**	**0.00**	0.00	0.00

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF FINANCIAL STATEMENTS

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
100 (Previous Year 2016: 100; Previous Year 2015: 100) Equity Shares of INR 10/- each of **Global Infrastructure & Technologies Limited**	**-**	-	0.00
100 (Previous Year 2016: 100; Previous Year 2015: 100) Equity Shares of INR 10/- each of **Premier Energy & Infrastructure Limited**	**0.00**	0.00	0.00
100 (Previous Year 2016: 100; Previous Year 2015: 100) Equity Shares of INR 10/- each of **D.S. Kulkarni Developers Limited**	**0.00**	0.00	0.00
13,000 (Previous Year 2016: 13,000; Previous Year 2015: 13,000) Equity Shares of INR 2/- each of **Unitech Limited**	**0.00**	0.00	0.00
72 (Previous Year 2016: 72; Previous Year 2015: 72) Equity Shares of INR 10/- each of **The Great Eastern Shipping Company Limited**	**0.00**	0.00	0.00
18 (Previous Year 2016: 18; Previous Year 2015: 18) Equity Shares of INR 10/- each of **GOL Offshore Limited**	**0.00**	0.00	0.00
100 (Previous Year 2016: 100; Previous Year 2015: 100) Equity Shares of INR 10/- each of **Radhe Developers (India) Limited**	**0.00**	0.00	0.00
23,700 (Previous Year 2016: 23,700; Previous Year 2015: 23,700) Equity Shares of INR 10/- each of **United Textiles Limited**	**0.00**	0.00	0.00
(ii) Unquoted Investments			
1,000 (Previous Year 2016: 1,000; Previous Year 2015: 1,000) Equity Shares of INR 10/- each of **Saraswat Co-operative Bank Limited**	**0.00**	0.00	0.00
25,000 (Previous Year 2016: 25,000; Previous Year 2015: 25,000) Equity Shares of INR 10/- each of **AB Corp Limited**	**0.00**	0.00	0.00
	211.49	110.21	68.31
Aggregate Amount of Quoted Investments & Market Value thereof	**0.00**	0.00	0.00

INR 0.00 represents amount less than INR 50,000

Note 5 Loans (Non Current)

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Secured			
Deposits - Projects (Refer Note (a) below)	**74.72**	97.08	99.34
Unsecured, Considered Good			
Loans and Advances to Others	**-**	0.01	0.23
	74.72	97.09	99.57

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

Note 6 Other Non Current Financial Assets

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Deposit With Banks (Refer Note (a) below)	**0.76**	0.71	-
Deposits - Others	**1.14**	3.04	6.20
Interest Accrued	**-**	0.09	-
Expenses Recoverable	**-**	-	0.74
	1.90	3.84	6.94

(a) Deposit with Banks amounting to INR 0.76 Crore (Previous Year 2016: INR 0.71 Crore; Previous Year 2015: Nil) is received from flat buyers and held in trust on their behalf in a corpus fund.

Note 7 Deferred Tax Asset and Tax Expense

a) Movement in Deferred Tax Balances

INR (in Crore)

Particulars	Net Balance as at March 31, 2016	Movement during the year			As at March 31, 2017	
		Recognised in Profit or Loss	Recognised in Equity	Other	Net	Deferred Tax Asset
Deferred Tax Asset/(Liabilities)						
Property, Plant and Equipment	(3.44)	(1.22)	-	-	(4.66)	(4.66)
Inventories	58.37	11.63	-	-	70.00	70.00
Employee Benefits	1.93	0.42	0.16	-	2.51	2.51
Equity-settled Share-based Payments	0.26	1.02	-	-	1.28	1.28
Unused Tax Credit	17.42	-	-	(17.42)	-	-
Other Items	2.06	2.05	-	-	4.11	4.11
Deferred Tax Assets/(Liabilities)	**76.60**	**13.90**	**0.16**	**(17.42)**	**73.23**	**73.23**

NOTES FORMING PART OF FINANCIAL STATEMENTS

INR (in Crore)

Particulars	Net Balance as at April 1, 2015	Movement during the year			As at March 31, 2016	
		Recognised in Profit or Loss	Recognised in Equity	Other	Net	Deferred Tax Asset
Deferred Tax Asset/(Liabilities)						
Property, Plant and Equipment	(2.07)	(1.37)	-	-	(3.44)	(3.44)
Inventories	69.44	(11.07)	-	-	58.37	58.37
Employee Benefits	1.76	(0.15)	0.32	-	1.93	1.93
Equity-settled Share-based Payments	2.45	(2.28)	0.09	-	0.26	0.26
Unused Tax Credit	9.09	8.33	-	-	17.42	17.42
Other Items	0.13	1.93	-	-	2.06	2.06
Deferred Tax Assets/(Liabilities)	**80.80**	**(4.61)**	**0.41**	**-**	**76.60**	**76.60**

b) Amounts recognised in Profit and Loss

INR (in Crore)

Particulars	March 31, 2017	March 2016
Current Income Tax	**3.34**	4.41
Deferred Income Tax (Net)		
Origination and reversal of Tax on Temporary Differences	**(13.90)**	4.61
Tax Expense for the year	**(10.56)**	9.02

c) Amounts recognised in Other Comprehensive Income

INR (in Crore)

Particulars	For the Year Ended March 31, 2017			For the Year Ended March 31, 2016		
	Before Tax	Tax (Expense)/ Benefit	Net of Tax	Before Tax	Tax (Expense)/ Benefit	Net of Tax
Remeasurements of Defined Benefit Liability (Asset)	0.47	0.16	0.31	0.93	0.32	0.61
	0.47	**0.16**	**0.31**	0.93	0.32	0.61

d) Amounts recognised in Equity

During the Year there is no amount recognised in Equity (Previous Year 2016: INR 0.09 Crore which relates to Share Based Payments).

e) Reconciliation of Effective Tax Rate

INR (in Crore)

Particulars	March 31, 2017	March 2016
Profit Before Tax	**113.69**	31.75
Tax using the Company's domestic tax rate	**39.35**	10.99
Tax effect of:		
Non-deductible Expenses	**0.98**	0.14
Tax-exempt Income	**(30.49)**	(6.23)
Change in recognised deductible temporary differences	**(2.04)**	10.10
Adjustment for tax of prior years	**(4.72)**	(3.92)
Unabsorbed Losses	**(9.94)**	3.38
Other Adjustments	**(3.70)**	(5.44)
Tax expense recognised	**(10.56)**	9.02

f) As on April 1, 2015, the Company had proposed dividend of INR 39.91 Crore. The corresponding dividend distribution tax to that extent of INR 8.12 Crore has not been recognised as a liability.

Note 8 Income Tax Assets (Net)

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Advance Tax & Tax Deducted at Source (Net)	**114.38**	62.20	26.95
	114.38	62.20	26.95

Note 9 Other Non Current Non Financial Assets

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Capital Advance	**15.28**	15.28	15.28
	15.28	15.28	15.28

Note 10 Inventories

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Finished Goods (Refer Note (a) below)	**56.74**	56.74	46.16
Construction Work in Progress	**1,451.21**	1,298.65	1,072.71
	1,507.95	1,355.39	1,118.87

(a) Finished goods includes shares of Tahir Properties Limited - at cost or net realisable value (whichever is lower):
i) 70 Equity shares of INR 100/- each, INR 20/- paid up
ii) 75 Redeemable Preference Class A shares of INR 100/- each, INR 70/- paid up.

Note 11 Investments

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Quoted			
Investment in Mutual Funds carried at Fair Value through Profit or Loss	**285.21**	188.68	323.98
	285.21	188.68	323.98
Aggregate Amount of Quoted Investments & Market Value thereof	**285.21**	188.68	323.98

Note 12 Trade Receivables

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Unsecured, Considered Good	**103.98**	75.12	106.65
	103.98	75.12	106.65

Note 13 Cash and Cash Equivalents

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Balance With Banks			
on Current Accounts	**28.08**	12.91	14.19
on Fixed Deposit Accounts	**20.58**	11.86	5.90
Cash On Hand	**0.02**	0.03	0.02
Cheques On Hand	**2.86**	2.01	0.57
	51.54	26.81	20.68

NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 14 Bank Balances other than above

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Balance With Banks			
on Current Accounts (Refer Note (a) below)	**0.05**	0.05	0.04
on Fixed Deposit Accounts (Refer Note (b) below)	**19.54**	45.93	36.86
	19.59	45.98	36.90

(a) Balances with Banks in current accounts include INR 0.05 Crore (Previous Year 2016: INR 0.05 Crore, Previous Year 2015: INR 0.04 crore) is on account of earmarked balance for unclaimed dividend.

(b) Include

(i) INR 3.15 Crore (Previous Year 2016: INR 3.14 Crore; Previous Year 2015: INR 3.80 Crore) received from flat buyers and held in trust on their behalf in a corpus fund

(ii) Deposits held as Deposit Repayment Reserve amouting to INR 1.15 Crore (Previous Year 2016: INR 31 Crore; Previous Year 2015: INR 22 Crore)

(iii) Fixed deposits held as margin money and lien marked for issuing bank guarantee amounting to INR 4.03 Crore (Previous Year 2016: INR 0.15 Crore; Previous Year 2015: INR 0.13 Crore)

Note 15 Loans (Current)

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Secured			
Deposits - Projects (Refer Note (a) below)	**159.15**	168.02	197.41
Unsecured, Considered Good			
Loans and Advances to Related Parties	**2,263.39**	1,843.94	1,555.96
Loans and Advances to Others	**14.08**	12.88	17.72
Loan To GIL ESOP Trust	**-**	4.04	5.10
(Net of provision for doubtful loan of INR Nil (Previous Year 2016: INR 0.46 Crore; Previous Year 2015: INR 0.46 Crore))			
Others	**21.08**	20.40	24.18
	2,457.70	2,049.28	1,800.37

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

Note 16 Other Current Financial Assets

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Deposits - Others	**11.64**	8.07	11.26
Unbilled Revenue	**183.50**	174.84	211.73
Receivable from Related Party (LLPs)	**16.37**	216.01	230.86
Interest Accrued	**236.54**	206.21	134.70
Others	**10.12**	0.00	-
	458.17	605.13	588.55

INR 0.00 represents amount less than INR 50,000

Note 17 Other Current Non Financial Assets

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Balances with Government Authorities	**33.95**	34.64	25.99
Advance to Suppliers & Contractors (Refer Note (a) below)	**31.30**	47.85	51.66
Capital Advance	**4.48**	1.00	-
Others	**22.39**	23.50	43.05
	92.12	106.99	120.70

(a) Advance to Suppliers & Contractors includes advances amounting to INR 6.63 Crore (Previous Year 2016: INR 14.87 Crore; Previous Year 2015: INR 42.50 Crore) secured against Bank Guarantee.

Note 18 Equity Share Capital

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
a) Authorised			
538,000,000 Equity Shares of INR 5/- each (Previous Year 2016: 538,000,000 Equity Share of INR 5/- each; Previous Year 2015: 234,000,000 Equity Shares of INR 5/- each)	**269.00**	269.00	117.00
	269.00	269.00	117.00
b) Issued, Subscribed & Paid Up			
216,364,692 Equity Shares of INR 5/- each (Previous Year 2016: 216,260,366 Equity Shares of INR 5/- each; Previous Year 2015: 199,357,788 Equity Shares of INR 5/- each) fully paid up	**108.18**	108.13	99.68
	108.18	108.13	99.68

c) During the year, the Company has issued 104,326 equity shares (Previous Year 2016: 156,816 equity shares, Previous Year 2015: 123,758 equity shares) under the Employee Stock Grant Scheme.

d) Reconciliation of number of shares outstanding at the beginning and end of the year

Particulars	March 31, 2017		March 31, 2016		April 1, 2015	
	No. of Shares	**INR (in Crore)**	No. of Shares	INR (in Crore)	No. of Shares	INR (in Crore)
Equity Shares :						
Outstanding at the beginning of the year	**216,260,366**	**108.13**	199,357,788	99.68	199,234,030	99.62
Issued during the year	**104,326**	**0.05**	16,902,578	8.45	123,758	0.06
Outstanding at the end of the year	**216,364,692**	**108.18**	216,260,366	108.13	199,357,788	99.68

e) Shareholding Information

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Equity Shares are held by			
Godrej Industries Limited (Holding Company)	**122,681,066**	122,681,066	112,450,304
Godrej & Boyce Manufactuting Company Ltd.(Ultimate Holding Company upto March 29, 2017)	**10,650,688**	10,650,688	9,395,688
Ensemble Holdings & Finance Limited (Subsidiary of Holding Company)	**1,382,310**	1,382,310	1,382,310

NOTES FORMING PART OF FINANCIAL STATEMENTS

f) Rights, preferences and restrictions attached to Equity shares

The Company has only one class of equity share having a par value of INR 5/- 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.

g) Equity Shares allotted as fully paid up shares other than cash

Particulars	**March 31, 2017**		March 31, 2016		April 1, 2015	
	No. of Shares	**INR (in Crore)**	No. of Shares	INR (in Crore)	No. of Shares	INR (in Crore)
Equity Share						
Godrej Industries Limited	**-**	**-**	16,745,762	8.37	-	-

h) Shareholders holding more than 5% shares in the company

Particulars	**March 31, 2017**		March 31, 2016		April 1, 2015	
	No. of Shares	**%**	No. of Shares	%	No. of Shares	%
Equity Share:						
Godrej Industries Limited	**122,681,066**	**56.70%**	122,681,066	56.73%	112,450,304	56.41%

i) Equity Shares Reserved for Issue Under Options

Particulars	**March 31, 2017**		March 31, 2016		April 1, 2015	
	No. of Shares	**INR (in Crore)**	No. of Shares	INR (in Crore)	No. of Shares	INR (in Crore)
(i) 19,446 Employee Stock Grants eligible for 19,446 equity shares of INR 5/- each vesting on May 31, 2015	**-**	**-**	-	-	19,446	0.01
(ii) 230 Employee Stock Grants eligible for 230 equity shares of INR 5/- each vesting on October 31, 2015	**-**	**-**	-	-	230	0.00
(iii) 240 Employee Stock Grants eligible for 240 equity shares of INR 5/- each vesting on January 31, 2016	**-**	**-**	-	-	240	0.00
(iv) 30,422 Employee Stock Grants eligible for 30,422 equity shares of INR 5/- each vesting on May 31, 2016	**-**	**-**	30,422	0.02	74,966	0.04
(v) 29,294 Employee Stock Grants eligible for 29,294 equity shares of INR 5/- each vesting on May 31, 2017	**29,294**	**0.01**	84,165	0.04	161,193	0.08
(vi) 40,000 Employee Stock Grants eligible for 40,000 equity shares of INR 5/- each vesting on May 31, 2015	**-**	**-**	-	-	40,000	0.02

INR 0.00 represents amount less than INR 50,000

Particulars	March 31, 2017		March 31, 2016		April 1, 2015	
	No. of Shares	**INR (in Crore)**	No. of Shares	INR (in Crore)	No. of Shares	INR (in Crore)
(vii) 769 Employee Stock Grants eligible for 769 equity shares of INR 5/- each. vesting on October 31, 2017	**769**	**0.00**	1,537	0.00	2,305	0.00
(viii) 50,432 Employee Stock Grants eligible for 50,432 equity shares of INR 5/- each. Out of which 25,219 is vesting on May 31, 2017 and 25,213 is vesting on May 31, 2018	**50,432**	**0.03**	109,273	0.05	-	-
(ix) 13,908 Employee Stock Grants eligible for 13,908 equity shares of INR 5/- each. Out of which 6,954 is vesting on May 31, 2017 and 6,954 is vesting on May 31, 2018	**13,908**	**0.01**	20,862	0.01	-	-
(x) 2,073 Employee Stock Grants eligible for 2,073 equity shares of INR 5/- each. Out of which 1,036 is vesting on August 31, 2017 and 1,037 is vesting on August 31, 2018	**2,073**	**0.00**	6,218	0.00	-	-
(xi) 1,413 Employee Stock Grants eligible for 1,413 equity shares of INR 5/- each. Out of which 707 is vesting on January 1, 2018 and 706 is vesting on January 1, 2019	**1,413**	**0.00**	2,120	0.00	-	-
(xii) 113,423 Employee Stock Grants eligible for 113,423 equity shares of INR 5/- each. Out of which 37,813 is vesting on June 1, 2017, 37,808 is vesting on June 1, 2018 and 37,802 is vesting on June 1, 2019	**113,423**	**0.06**	-	-	-	-
(xiii) 2,612 Employee Stock Grants eligible for 2,612 equity shares of INR 5/- each. Out of which 870 is vesting on January 1, 2018, 871 is vesting on January 1, 2019 and 871 is vesting on January 1, 2020	**2,612**	**0.00**	-	-	-	-
(xiv) 613 Employee Stock Grants eligible for 613 equity shares of INR 5/- each. Out of which 205 is vesting on March 1, 2018, 204 is vesting on March 1, 2019 and 204 is vesting on March 1, 2020	**613**	**0.00**	-	-	-	-

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 19 Other Equity (INR in Crore)

Particulars	**March 31, 2017**	March 31, 2016
a) Capital Reserve (Refer Note (i) below)		
Opening Balance	**-**	-
Additions during the year	**7.20**	-
Closing Balance	**7.20**	-
b) Capital Reserve on Account of Amalgamation (Refer Note (ii) below)		
Opening Balance	**109.75**	(31.87)
Additions during the year	**-**	141.62
Closing Balance	**109.75**	109.75
c) Securities Premium (Refer Note (iii) below)		
Opening Balance	**1,696.67**	1,693.28
Additions during the year	**2.55**	3.84
Utilisations during the year	**-**	(0.45)
Closing Balance	**1,699.22**	1,696.67
d) Employee Stock Grant Scheme Reserve (Refer Note (iv) below)		
Opening Balance	**3.86**	4.72
Additions during the year	**2.38**	2.99
Utilisations during the year	**(2.55)**	(3.85)
Closing Balance	**3.69**	3.86
e) General Reserves		
Opening Balance	**9.80**	9.80
Closing Balance	**9.80**	9.80
f) Retained Earnings		
Opening Balance	**(112.82)**	(55.15)
Additions during the year	**0.11**	0.44
Adjustment towards Put option liability	**(4.65)**	(32.21)
Profit for the Year	**124.25**	22.73
Other Comprehensive Income	**(0.31)**	(0.61)
Dvidends (including DDT)	**-**	(48.02)
Closing Balance	**6.58**	(112.82)
g) Treasury Shares (Refer Note (v) below)		
Opening Balance	**(30.12)**	(30.12)
Additions during the year	**30.12**	-
Closing Balance	**-**	(30.12)
	1,836.24	1,677.14

(i) Capital Reserve

Capital Reserve is created on Sale of Treasury Shares.

(ii) Capital Reserve on account of Amalgamation

Capital Reserve is created on account of Amalgamation.

(iii) Securities Premium

The Securities Premium account has been created mainly on account of premium on issue of Equity shares.

(iv) Employee Stock Grant Scheme Reserve

The Company has employee stock grant scheme under which options to subscribe to the Company's shares have been granted to certain employees of the Company. The share based payment reserve is used to recognise the value of equity settled share based payments provided to employees, including key management personnel, as part of their remuneration.

(v) Treasury Shares

The reserve for treasury shares of the Company includes the shares held by the ESOP trust considered as a branch of the Company. As at March 31, 2017 the Trust held Nil number of shares of the Company and 987,510 shares as at March 31, 2016.

Note 20 Borrowings (Non Current)

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Deposits (Unsecured)			
From Shareholders	**-**	-	0.63
From Public	**-**	-	4.85
	-	-	5.48

Note 21 Trade Payables (Non Current)

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Due to Micro and Small Enterprises (Refer Note 44)	**0.15**	-	0.13
Others	**0.37**	-	1.29
	0.52	-	1.42

Note 22 Provisions (Non Current)

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Provision for Employee Benefits			
Gratuity	**6.46**	5.37	4.49
Compensated Absences	**0.16**	0.06	0.06
	6.62	5.43	4.55

NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 23 Borrowings (Current)

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Secured Loans			
From Banks			
Loans Repayable on Demand (Refer Note (a) below)	**460.43**	571.72	602.77
Term Loan (Refer Note (b) below)	**800.00**	700.00	200.00
Unsecured Loans			
Loans Repayable on Demand (Refer Note (c) below)	**254.56**	10.81	116.60
Loan from Related party	**169.36**	152.43	171.89
Other Loans (Refer Note (d) below)	**1,986.74**	1,334.93	958.84
	3,671.09	2,769.89	2,050.10

(a) Loans Repayable on Demand on account of Cash Credit availed from Bank and is secured by hypothecation of the Current Assets of the Company, mortgage of Immovable property of the Company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and hypothecation of Current Assets of Godrej Real Estate Private Limited and Godrej Projects Development Private Limited (both wholly owned subsidiaries) is provided as collateral security. It carries interest at 1 Year Marginal Cost of Fund Based Lending Rate (MCLR) + 0.35% p.a. Present effective rate 9.55 % p.a.

(b) Term Loan from Bank includes :

(i) Secured Working Capital Demand Loan of INR 400 Crore availed from Bank secured by hypothecation of Current Assets of the Company, mortgage of Immovable property of the Company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and hypothecation of Current Assets of Godrej Real Estate Private Limited and Godrej Projects Development Private Limited (both wholly owned subsidiaries) is provided as collateral security and carries interest rate at 8.00% p.a.(Fixed) repayable on April 26, 2017.

(ii) Secured Working Capital Demand Loan of INR 100 Crore availed from Bank secured by Mortgage of Immovable property of the Company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and hypothecation of Current Assets of Godrej Real Estate Private Limited and Godrej Projects Development Private Limited (both wholly owned subsidiaries) is provided as collateral security and carries interest rate at 8.00% p.a.(Fixed) repayable on April 15, 2017.

(iii) Secured Working Capital Demand Loan of INR 100 Crore availed from Bank secured by Mortgage of Immovable property of the Company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and hypothecation of Current Assets of Godrej Real Estate Private Limited and Godrej Projects Development Private Limited (both wholly owned subsidiaries) is provided as collateral security and carries interest rate at 8.00% p.a.(Fixed) repayable on April 19, 2017.

(iv) Secured Working Capital Demand Loan of INR 100 Crore availed from Bank secured by Mortgage of Immovable property of the Company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and hypothecation of Current Assets of Godrej Real Estate Private Limited and Godrej Projects Development Private Limited (both wholly owned subsidiaries) is provided as collateral security and carries interest rate at 8.00% p.a.(Fixed) repayable on April 9, 2017.

(v) Secured Working Capital Demand Loan of INR 100 Crore availed from Bank secured by Mortgage of Immovable property of the Company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and hypothecation of Current Assets of Godrej Real Estate Private Limited and Godrej Projects Development Private Limited (both wholly owned subsidiaries) is provided as collateral security and carries interest rate at 8.00% p.a.(Fixed) repayable on April 13, 2017.

(c) Loans Repayable on Demand includes:

(i) Over Draft facility amounting to INR 248.12 Crore carries interest at 1 Month MCLR + 20 basis point. Present effective rate is 8.10% p.a.

(ii) INR 6.17 Crore of Overdraft carries interest at Base Rate. Present effective rate is 9.50% p.a.

(iii) INR 0.26 Crore of Over Draft facility carries interest at 1 Month MCLR + 100 basis point p.a. Present effective rate is 9.15% p.a.

(d) Other Unsecured loans includes:

(i) Short Term Loan amounting to INR 150 Crore carrying interest at 1 Month MCLR + 10 basis point p.a. Present effective rate is 8.00% p.a. Out of the above INR 75 crore is repayable on September 20, 2017 and INR 75 crore is repayable on September 25, 2017.

(ii) Short Term Loan amounting to INR 100 Crore carrying interest at 3 Month MCLR. Present effective rate is 8.75 % p.a. repayable on January 12, 2018.

(iii) Short Term Loan amounting to INR 250 Crore. Out of above INR 50 Crore carries interest at 6 Month MCLR + 02 basis point p.a. Present effective rate is 7.97% p.a and INR 50 Crore, INR 75 Crore & INR 75 Crore carries interest at 3 Month MCLR. Present effective rate is 7.90% p.a., repayable on May 24, 2017, August 09, 2017, August 21, 2017 & August 25, 2017 respectively.

(iv) INR 100 Crore availed from Commercial Papers carries interest at 6.58% p.a., repayable on May 19, 2017.

(v) INR 75 Crore availed from Commercial Papers carries interest at 6.58% p.a., repayable on May 26, 2017.

(vi) INR 80 Crore availed from Commercial Papers carries interest at 6.80% p.a., repayable on June 20, 2017.

(vii) INR 80 Crore availed from Commercial Papers carries interest at 6.80% p.a., repayable on June 23, 2017.

(viii) INR 75 Crore availed from Commercial Papers carries interest at 6.80% p.a., repayable on May 4, 2017.

(ix) INR 75 Crore availed from Commercial Papers carries interest at 6.80% p.a., repayable on May 8, 2017.

(x) INR 40 Crore availed from Commercial Papers carries interest at 6.80% p.a., repayable on May 9, 2017.

(xi) INR 80 Crore availed from Commercial Papers carries interest at 6.50% p.a., repayable on June 29, 2017.

(xii) INR 35 Crore availed from Commercial Papers carries interest at 6.87% p.a., repayable on May 9, 2017.

(xiii) INR 60 Crore availed from Commercial Papers carries interest at 6.87% p.a., repayable on May 12, 2017.

(xiv) INR 70 Crore availed from Commercial Papers carries interest at 6.87.% p.a., repayable on May 15, 2017.

(xv) INR 70 Crore availed from Commercial Papers carries interest at 6.87.% p.a., repayable on May 17, 2017.

(xvi) INR 10 Crore availed from Commercial Papers carries interest at 6.87.% p.a., repayable on May 17, 2017.

(xvii) INR 75 Crore availed from Commercial Papers carries interest at 6.69.% p.a., repayable on May 31, 2017.

(xviii) INR 75 Crore availed from Commercial Papers carries interest at 6.51.% p.a., repayable on June 05, 2017.

(xix) INR 85 Crore availed from Commercial Papers carries interest at 6.51.% p.a., repayable on June 07, 2017.

NOTES FORMING PART OF FINANCIAL STATEMENTS

(xx) INR 70 Crore availed from Commercial Papers carries interest at 6.55.% p.a., repayable on June 14, 2017.

(xxi) INR 70 Crore availed from Commercial Papers carries interest at 6.55.% p.a., repayable on June 16, 2017.

(xxii) INR 25 Crore availed from Commercial Papers carries interest at 6.50.% p.a., repayable on June 28, 2017.

(xxiii) Short Term Loan amounting to INR 125 Crore is availed at rate of Interest 8.30 % p.a.(Fixed) repayable on September 5, 2017.

(xxiv) Short Term Loan amounting to INR 125 Crore is availed at rate of Interest 8.30 % p.a.(Fixed) repayable on August 30, 2017.

Note 24 Trade Payables (Current)

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Due to Micro and Small Enterprises (Refer note 44)	**8.52**	8.12	1.97
Others	**68.80**	72.39	70.48
	77.32	80.51	72.45

Note 25 Other Current Financial Liabilities

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Current maturities of long term debts			
Unsecured Deposit			
From Directors	**-**	-	0.56
From Shareholders	**-**	0.63	22.41
From Public	**-**	4.86	173.71
Put Option Liability	**-**	243.85	211.64
Advances From Related Party	**-**	-	86.50
Unclaimed Fixed Deposits & Interest	**1.48**	2.21	3.39
Unclaimed Dividend	**0.05**	0.05	0.05
Interest Accrued	**19.34**	14.92	0.27
Other Liabilities	**176.73**	147.74	112.59
	197.60	414.26	611.12

Note 26 Other Current Non-Financial Liabilities

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Statutory Dues	**10.93**	9.58	11.06
Advances Received Against Sale of Flats/ Units	**264.61**	279.73	309.56
Other Liabilities	**13.44**	1.67	3.15
	288.98	290.98	323.77

Note 27 Provisions (Current)

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Provision for Employee Benefits			
Gratuity	**0.12**	0.10	0.67
Compensated Absences	**0.05**	0.04	0.62
	0.17	0.14	1.29

Note 28 Current Tax Liabilities (Net)

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Provision for Taxation (Net)	**3.00**	1.05	2.33
	3.00	1.05	2.33

Note 29 Revenue from Operations

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016
Sale of Products	**240.36**	272.09
Other Operating Revenues		
Sale of Services	**109.88**	60.71
Compensation received from Project	**-**	14.85
Other Income from Customers	**17.06**	7.17
Share of Profit and Loss in Limited Liability Partnerships	**88.10**	18.00
Lease Rent	**1.74**	1.35
	457.14	374.17

Note 30 Other Income

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016
Interest Income	**233.10**	191.72
Dividends	**0.00**	0.00
Profit on Sale of Fixed Assets (Net)	**0.21**	0.02
Income from Investment measured at FVTPL (Refer Note (a) below)	**13.78**	27.94
Miscellaneous Income	**1.05**	2.44
	248.14	222.12

(a) Income from Invesment measured at FVTPL includes fair valuation impact of INR 1.02 Crore (Previous Year: INR (0.36) Crore)

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 31 Cost of Sales

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016
Cost of Sales		
Opening Stock		
Finished Goods	**56.74**	46.16
Construction Work in Progress	**1,298.65**	1,072.71
Add: Expenditure during the year		
Land/ Development Right	**0.40**	-
Construction, Material & Labour	**241.58**	336.90
Architect Fees	**1.85**	3.65
Other Cost	**56.20**	53.58
Finance Cost	**98.80**	97.22
	1,754.22	1,610.22
Less : Transferred to Expenses	**-**	7.21
Less : Transferred to Fixed Assets	**-**	2.05
Less : Closing Stock		
Finished Goods	**56.74**	56.74
Construction Work in Progress	**1,451.21**	1,298.65
	246.27	245.57

Note 32 Employee Benefits Expense

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016
Salaries, Bonus, Gratuity & Allowances	**39.59**	34.57
Contribution to Provident and Other Funds	**1.11**	5.47
Other Employee Benefits	**3.06**	1.66
Share Based Payments to Employees (Refer Note 40)	**2.49**	2.98
	46.25	44.68

Note 33 Finance Costs

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016
Interest Expense		
Banks and Financial Institutions	**172.11**	140.21
Others	**16.07**	28.16
Interest on Income Tax	**0.00**	0.00
Total Interest Expense	**188.18**	168.37
Other Borrowing costs	**87.79**	81.01
Total Finance Cost	**275.97**	249.38
Less: Captilised to Projects	**98.80**	97.15
Net Finance Cost	**177.17**	152.23

INR 0.00 represents amount less than INR 50,000

Note 34 Other Expenses

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016
Consultancy Charges	**16.03**	9.00
Rent	**5.74**	4.93
Insurance	**0.92**	0.65
Rates & Taxes	**0.22**	0.06
Advertisement & Marketing Expense	**21.59**	23.67
Diminution in value of investments	**-**	0.00
Other Expenses (Refer Note 47)	**64.37**	70.18
	108.87	108.49

Note 35 Earnings Per Share

a) Basic Earnings Per Share

The calculation of basic earnings per share is based on the profit attributable to ordinary shareholders and weighted average number of ordinary shares outstanding.

(i) Profit attributable to ordinary shareholders (basic)

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016
Profit for the year, attributable to ordinary shareholders of the Company	**124.25**	22.73
	124.25	22.73

(ii) Weighted average number of ordinary shares (basic)

Particulars	March 31, 2017	March 31, 2016
Number of Equity Shares at the beginning of the year	**216,260,366**	199,357,788
Less: Effect of treasury shares held	**937,997**	987,510
Add: Effect of share issued during the year	**76,394**	11,277,691
	215,398,763	209,647,969
Basic Earnings Per Share (Amount in INR)	**5.77**	1.08

b) Diluted Earnings Per Share

The calculation of diluted earnings per share is based on the profit attributable to ordinary shareholders and weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares:

(i) Profit attributable to ordinary shareholders (diluted)

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016
Profit for the year, attributable to ordinary shareholders of the Company	**124.25**	22.73
	124.25	22.73

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF FINANCIAL STATEMENTS

(ii) Weighted average number of ordinary shares (diluted)

Particulars	March 31, 2017	March 31, 2016
Weighted Average number of Equity shares outstanding (basic)	**215,398,763**	209,647,969
Add: Effect of treasury shares held	**937,997**	987,510
Add: Potential equity shares under ESGS plan	**139,988**	163,215
	216,476,748	210,798,694
Diluted Earnings Per Share (Amount in INR)	**5.74**	1.08

Note 36 Employee Benefits

a) Defined Contribution Plans:

Contribution to Defined Contribution Plans, recognised as expense for the year are as under: INR (in Crore)

Particulars	March 31, 2017	March 31, 2016
Employers' Contribution to Provident Fund (Gross before Allocation)	**6.13**	5.47
Employers' Contribution to ESIC	**0.00**	0.00

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 estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(i) Change in present value of defined benefit obligation

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016
Present value of obligation as at beginning of the year	**5.47**	4.56
Interest Cost	**0.43**	0.37
Service Cost	**1.22**	0.98
Benefits Paid	**(1.04)**	(1.43)
Effect of Liability Transfer in	**0.03**	0.07
Effect of Liability Transfer out	**(0.00)**	-
Acturial (Gains)/ Losses on obligations- due to change in demographic assumptions	**-**	-
Acturial (Gains)/ Losses on obligations- due to change in financial assumption	**0.19**	0.10
Acturial (Gains) /Losses on obligations- due to change in experience	**0.28**	0.82
Present value of obligation, as at end of the year	**6.58**	5.47

INR 0.00 represents amount less than INR 50,000

(ii) Amount recognised in the Balance Sheet

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Present value of obligation, as at end of the year	**6.58**	5.47	4.56
Fair value of plan assets as at end of the year	**-**	-	-
Net obligation as at end of the year	**6.58**	5.47	4.56

(iii) Net gratuity cost for the year ended

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016
Recognised in the Statement of Profit and Loss		
Service Cost	**1.22**	0.98
Interest Cost	**0.43**	0.37
Total	**1.65**	1.35
Recognised in Other Comprehensive Income (OCI)		
Remeasurement due to:		
Acturial (Gains)/Losses on obligations- due to change in demographic assumptions	**-**	-
Acturial (Gains)/Losses on obligations- due to change in financial assumption	**0.19**	0.10
Acturial (Gains)/Losses on obligations- due to change in experience	**0.28**	0.82
Net gratuity cost in Total Comprehensive Income	**2.12**	2.27

(iv) The Principal assumptions used in determining the present value of defined benefit obligation for the Company's plan are given below:

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Discount Rate	**7.74%**	7.95%	8.09%
Salary escalation rate	**5%**	5%	5%
Attrition Rate	**1%**	1%	1%
Experience Adjustment On Plan Liability (INR in Crore)	**0.28**	0.83	1.82

(v) Sensitivity analysis

A quantitative sensitivity analysis on Defined Benefit Obligation for significant assumption as at March 31, 2017 is shown below:

INR (in Crore)

Particulars	March 31, 2017		March 31, 2016	
	Increase	Decrease	Increase	Decrease
Discount Rate (1% movement)	**(0.82)**	**1.00**	(0.67)	0.81
Salary escalation rate (1% movement)	**1.02**	**(0.85)**	0.83	(0.70)
Attrition Rate (1% movement)	**0.23**	**(0.28)**	0.20	(0.24)

Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.

NOTES FORMING PART OF FINANCIAL STATEMENTS

(vi) The expected future cash flows in respect of gratuity as at March 31, 2017 were as follows:

Maturity Analysis of Projected Benefit Obligation: From the Employer — INR (in Crore)

Projected Benefits Payable in Future Years from the Reporting Date	Amount
1st Following Year	0.12
2nd Following Year	0.11
3rd Following Year	0.28
4th Following Year	0.20
5th Following Year	0.35
Sum of Years 6 to 10	2.14

Note 37 Financial instruments – Fair values and risk management

a) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

INR (in Crore)

March 31, 2017	Carrying amount			Fair value			
	Fair value through profit and loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets							
Non Current							
Other Investments							
Investments in Debentures	-	211.48	211.48		211.48		211.48
Investments in Equity Instruments	0.00	-	0.00	0.00			0.00
Loans							
Deposits- Projects	-	74.72	74.72		78.55		78.55
Other Non Current Financial Assets	-	1.90	1.90				
Current							
Investments	285.21	-	285.21	285.21			285.21
Trade Receivables	-	103.98	103.98				
Cash and cash equivalents	-	51.54	51.54				
Bank balances other than above	-	19.59	19.59				
Loans							
Deposits- Projects	-	159.15	159.15		161.18		161.18
Others	-	2,298.55	2,298.55				
Other Current Financial Assets	-	458.17	458.17				
	285.21	3,379.08	3,664.29				

INR 0.00 represents amount less than INR 50,000

INR (in Crore)

March 31, 2017	Carrying amount			Fair value			
	Fair value through profit and loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Liabilities							
Non Current							
Trade Payables	**-**	**0.52**	**0.52**				
Current							
Borrowings	**-**	**3,671.09**	**3,671.09**				
Trade Payables	**-**	**77.32**	**77.32**				
Other Current Financial Liabilities	**-**	**197.60**	**197.60**				
	-	**3,946.53**	**3,946.53**				

INR (in Crore)

March 31, 2016	Carrying amount			Fair value			
	Fair value through profit and loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets							
Non Current							
Other Investments							
Investments in Debentures	-	110.21	110.21		110.21		110.21
Investments in Equity Instruments	0.00	-	0.00	0.00			0.00
Loans							
Deposits- Projects	-	97.08	97.08		97.96		97.96
Others	-	0.01	0.01				
Other Non Current Financial Assets	-	3.84	3.84				
Current							
Investments	188.68	-	188.68	188.68			188.68
Trade Receivables	-	75.12	75.12				
Cash and cash equivalents	-	26.81	26.81				
Bank Balances other than above	-	45.98	45.98				
Loans							
Deposits- Projects	-	168.02	168.02		172.09		172.09
Others	-	1,881.26	1,881.26				
Other Current Financial Assets	-	605.13	605.13				
	188.68	3,013.46	3,202.14				

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF FINANCIAL STATEMENTS

INR (in Crore)

March 31, 2016	Carrying amount			Fair value			
	Fair value through profit and loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Liabilities							
Current							
Borrowings	-	2,769.89	2,769.89				
Trade Payables	-	80.51	80.51				
Other Current Financial Liabilities	-	414.26	414.26				
	-	3,264.66	3,264.66				

INR (in Crore)

April 1, 2015	Carrying amount			Fair value			
	Fair value through profit and loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets							
Non Current							
Other Investments							
Investments in Debentures	-	68.31	68.31		68.31		68.31
Investments in Equity Instruments	0.00	-	0.00	0.00			0.00
Loans							
Deposits- Projects	-	99.34	99.34		99.34		99.34
Others	-	0.23	0.23				
Other Non Current Financial Assets	-	6.94	6.94				
Current							
Investments	323.98	-	323.98	323.98			323.98
Trade Receivables	-	106.65	106.65				
Cash and cash equivalents	-	20.68	20.68				
Bank Balances other than above	-	36.90	36.90				
Loans							
Deposits- Projects	-	197.41	197.41		197.41		197.41
Others	-	1,602.96	1,602.96				
Other Current Financial Assets	-	588.55	588.55				
	323.98	2,727.97	3,051.95				

INR 0.00 represents amount less than INR 50,000

INR (in Crore)

April 1, 2015	Carrying amount			Fair value			
	Fair value through profit and loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Liabilities							
Non Current							
Borrowings	-	5.48	5.48				
Trade Payables	-	1.42	1.42				
Current							
Borrowings	-	2,050.10	2,050.10				
Trade Payables	-	72.45	72.45				
Other Current Financial Liabilities	-	611.12	611.12				
	-	2,740.57	2,740.57				

b) Measurement of Fair Value

The Company uses the Discounted Cash Flow valuation technique (in relation to Fair Value of asset measured at amortised cost) which involves determination of present value of expected receipt/ payment discounted using appropriate discounting rates. The fair value so determined are classified as Level 2.

c) Risk Management Framework

The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors have established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

d) Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

(i) Credit Risk

(ii) Liquidity Risk

(iii) Market Risk.

NOTES FORMING PART OF FINANCIAL STATEMENTS

(i) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, investments in debt securities, loans given to related parties and project deposits.

The carrying amount of financial assets represents the maximum credit exposure.

Trade Receivables

Customer credit risk is managed by requiring customers to pay advances through progress billings before transfer of ownership, therefore substantially eliminating the Company's credit risk in this respect.

The Company's credit risk with regard to trade receivable has a high degree of risk diversification, due to the large number of projects of varying sizes and types with numerous different customer categories in a large number of geographical markets.

Based on prior experience and an assessment of the current economic environment, management believes there is no credit risk provision required. Also the Company does not have any significant concentration of credit risk.

The ageing of trade receivables is as follows: INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
More than 6 Months	**38.62**	47.31	49.93
Others	**65.36**	27.81	56.72
	103.98	75.12	106.65

The amounts reflected in the table above are not impaired as on the reporting date.

Investment in Debt Securities, Loans to Related Parties and Project Deposits

The Company has investments in compulsorily convertible debentures / optionally convertible debentures, loans to related parties and project deposits. The settlement of such instruments is linked to the completion of the respective underlying projects. Such Financial Assets are not impaired as on the reporting date.

Cash and Bank balances

Credit risk from Cash and Bank balances is managed by the Company's treasury department in accordance with the company's policy.

(ii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

The company has access to funds from debt markets through bank loan, commercial papers, fixed deposits from public and other debt instruments. The Company invests its surplus funds in bank fixed deposit and debt based mutual funds.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date.

INR (in Crore)

March 31, 2017	Carrying Amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Non Current						
Trade Payables	**0.52**	**0.52**	**-**	**0.52**	**-**	**-**
Current						
Borrowings	**3,671.09**	**3,715.57**	**3,715.57**	**-**	**-**	**-**
Trade Payables	**77.32**	**77.32**	**64.38**	**12.94**	**-**	**-**
Other Current Financial Liabilities	**197.60**	**197.60**	**196.86**	**0.74**		

INR (in Crore)

March 31, 2016	Carrying Amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Current						
Borrowings	2,769.89	2,809.03	2,809.03	-	-	-
Trade Payables	80.51	80.51	67.13	13.12	0.26	-
Other Current Financial Liabilities	414.26	416.95	415.70	1.25	-	-

INR (in Crore)

April 1, 2015	Carrying Amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Non Current						
Borrowings	5.48	5.48	-	5.48	-	-
Trade Payables	1.42	1.42	-	1.42	-	-
Current						
Borrowings	2,050.10	2,057.87	2,057.87	-	-	-
Trade Payables	72.45	72.45	59.15	11.27	2.03	-
Other Current Financial Liabilities	611.12	629.90	629.73	0.17	-	-

(iii) Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rate and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a) Currency Risk

Currency risk is not material, as the company's primary business activities are within India and does not have significant exposure in foreign currency.

NOTES FORMING PART OF FINANCIAL STATEMENTS

b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding.

Exposure to interest rate risk

The interest rate profile of the Company's interest bearing financial instruments as reported to the management is as follows:

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Financial Liabilities			
Variable rate instruments			
Borrowings			
Loan Repayable on Demand	**714.99**	582.53	719.36
Term Loans	**-**	200.00	-
Other Loans	**500.00**	300.00	200.00
Fixed rate instruments			
Borrowings			
Deposits	**-**	-	5.48
Term Loans	**800.00**	500.00	200.00
Loan from Related Party	**169.36**	152.43	171.89
Other Loans	**1,486.74**	1,034.93	758.84
Current maturities of long term debts	**-**	5.49	196.69
Put option liability	**-**	243.85	211.64
Advances from Related Party	**-**	-	86.50
	3,671.09	3,019.23	2,550.40
Financial Assets			
Fixed rate instruments			
Fixed Deposits	**40.88**	58.50	42.75
Security Deposits	**233.86**	265.11	296.75
Loans & Advances to related parties	**2,263.05**	1,843.94	1,555.96
Loan to GIL ESOP Trust	**-**	4.04	5.10
Investment in Debentures	**211.48**	110.21	68.31
	2,749.27	2,281.80	1,968.87

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liablities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the Company by the amounts indicated in the table below. Given that the Company capitalises interest to the cost of inventory to the extent permissible, the amounts indicated below may have an impact on reported profits over the life cycle of projects to which such interest is capitalised. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the period.

Particulars	Profit or Loss INR (in Crore)	
	100 BP increase	100 BP decrease
March 31, 2017		
Financial Liabilities		
Variable rate instruments		
Borrowings	(12.15)	12.15
Cash flow sensitivity (net)	(12.15)	12.15
March 31, 2016		
Financial Liabilities		
Variable rate instruments		
Borrowings	(10.83)	10.83
Cash flow sensitivity (net)	(10.83)	10.83

The Company does not have any additional impact on equity other than the impact on retained earnings.

Note 38 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages by a sound capital position.

The Company monitors capital using a ratio of 'Net Debt' to 'Equity'. For this purpose, net debt is defined as total borrowings and put option liability less Cash & Bank Balances and Other Current Investments.

The Company's net debt to equity ratios are as follows: INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Net Debt	**3,313.99**	2,757.04	2,168.85
Total Equity	**1,944.42**	1,785.27	1,690.34
Net Debt to Equity ratio	**1.70**	1.54	1.28

Note 39 Employee Stock Option Plan

During the financial year ended March 31,2008, 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 INR 5/- each to eligible employees of Godrej Properties Limited and its Subsidiary Companies (the Participating Companies) with effect from December 28, 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
	March 31, 2017	March 31, 2016	April 1, 2015	
Options Outstanding at the beginning of the year	**245,400**	357,400	515,400	INR 310 (plus interest till March 31, 2012)
Options granted	**-**	-	-	
Options exercised	**-**	-	-	
Less : Forfeited / Lapsed /Idle/ Available for Reissue	**245,400**	112,000	158,000	
Options Outstanding at the year end	**-**	245,400	357,400	INR 310 (plus interest till March 31, 2012)

The exercise period of the GPL ESOP has expired on December 27, 2016 and consequently all the unexercised options were rendered lapsed. The GPL ESOP now stands terminated and the shares held by the Trust have been sold during the year.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 40 Employee Stock Grant Scheme

The Company instituted an Employee Stock Grant Scheme (GPL ESGS) approved by the Board of Directors, shareholders and the Remuneration Committee.

a) Details of Stock Grants are as under:

Particulars	No. of Options			Weighted average Exercise Price (INR)	Weighted average Share Price (INR)
	March 31, 2017	March 31, 2016	April 1, 2015		
Options Outstanding at the beginning of the year	**254,597**	298,380	223,358		
Options granted	**122,127**	163,507	224,790		
Less: Options exercised	**104,326**	156,816	123,758	5.00	366.50
Less : Option lapsed	**57,861**	50,474	26,010		
Options Outstanding at the year end	**214,537**	254,597	298,380		

b) The weighted average exercise price of the options outstanding as at March 31, 2017 is INR 5 (Previous year 2016: INR 5 per share, Previous Year 2015: INR 5 per share) and the weighted average remaining contractual life of the options outstanding as at March 31, 2017 is 0.89 years (Previous year 2016: 0.89 years; Previous Year 2015: 0.85 years).

c) The fair value of the employee share options has been measured using the Black-Scholes Option Pricing Model. The weighted average fair value of the options granted is INR 279.78 (Previous year 2016: INR 234.68). The following table lists the average inputs to the model used for the plan for the year ended March 31, 2017:

Particulars	March 31, 2017	March 31, 2016	Description of the Inputs used
Dividend yield %	**-**	-	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	**29 % - 43%**	28% - 43%	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Risk free Interest rate %	**6.31 % - 8.57%**	7.38% - 8.57%	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Expected life of share options	**1 to 3 years**	1 to 3 years	
Weighted Average Market price on date of granting the options	**INR 286.40**	INR 243.39	

d) The expense arising from ESGS scheme during the year is INR 2.49 Crore (Previous Year 2016: INR 2.98 Crore)

Note 41 Leases

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

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Future minimum lease receipts under operating leases			
Not later than 1 year	**2.31**	2.19	1.15
Later than 1 year and not later than 5 years	**9.84**	9.58	4.94
Later than 5 years	**50.46**	53.03	47.68

b) The Company's significant leasing arrangements are in respect of operating leases for Commercial / Residential premises. Lease expenditure for operating leases is recognised 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:

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Future minimum lease payments under operating leases			
Not later than 1 year	**4.58**	8.23	3.79
Later than 1 year and not later than 5 years	**10.11**	13.90	3.75
Later than 5 years	**0.38**	1.07	1.07

Note 42 Amalgamation

Amalgamation of Happy Highrises Limited (HHL) with Godrej Properties Limited (GPL) :

Pursuant to the Scheme of Amalgamation (the Scheme) under Sections 391 to 394 of the Companies Act, 1956 read with section 230 to 240 of the Companies Act, 2013 sanctioned by the National Company Law Tribunal at Mumbai Bench on March 29, 2017 and filed with the Registrar of Companies (RoC) on April 24, 2017, Happy Highrises Limited (HHL), a 100% Subsidiary of Godrej Properties Limited (GPL), is amalgamated with GPL w.e.f. May 1, 2016, the Appointed Date.

As per the said Scheme;

(i) All the assets and liabilities as appearing in the books of HHL as on the Appointed Date have been recorded in the books of GPL at their respective book values and inter-company balances have been cancelled.

(ii) The amount of INR 31.87 crore arising out of the difference between the book value of the net assets of the Transferor Company taken over and cancellation of intercompany investments between the Transferor Company and the Transferee Company has been considered as capital reserve in the Separate financial statements of GPL.

(iii) GPL has incurred additional expenses such as charges, taxes including duties, levies and other expenses of INR 0.35 crore which have been charged to the Statement of Profit & Loss.

NOTES FORMING PART OF FINANCIAL STATEMENTS

(iv) In accordance with the requirements of Para 9(iii) of Appendix C of Ind AS 103 Business Combinations, the financial statements of GPL for the Year ended March 31, 2016 and opening balance sheet as at April 1, 2015 have been restated as if the business combination had occurred from the beginning of the preceding period. The impact of such restatement on the Balance Sheet and Statement of Profit & Loss has been summarised as below:

Impact on the Balance Sheet INR (in Crore)

Particulars	March 31, 2016	April 1, 2015
Current Assets Other Than Cash and Cash Equivalents	307.74	296.25
Cash and Cash equivalents	0.57	1.13
Non Current Assets	0.49	0.49
	308.80	297.87
Current Liabilities	248.62	227.95
Net Assets	60.18	69.92
Less: Cancellation of Investment	32.07	32.07
Less: Other Equity	59.98	69.71
Capital Reserve	(31.87)	(31.87)

Impact on the Statement of Profit & Loss INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016
Total Revenue	**55.05**	34.83
Total Expenses	**73.48**	44.59
Total Comprehensive Income for the Year	**(18.44)**	(9.76)

Note 43 Contingent Liabilities and Commitments

a) Contingent Liabilities INR (in Crore)

Matters	**March 31, 2017**	March 31, 2016	April 1, 2015
I) Claims against Company not Acknowledged as debts:			
i) Claims 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	**46.66**	15.99	8.19
ii) Claims under the Labour Laws for disputed cases	**0.05**	0.05	0.20
iii) Claims under Stamp Acts	**20.02**	27.22	1.49
iv) Other Claims not acknowledged as debts	**0.76**	0.86	1.12
v) Claims under Income Tax Act, Appeal preferred to Deputy Commissioner / Commissioner of Income Tax (Appeals)	**21.58**	21.11	19.63
vi) Claims under MVAT, Appeal preferred to The Deputy Commissioner/Joint Commissioner of Sales Taxes ((Appeals) IV/V), Mumbai	**21.33**	0.62	0.62
vii) Claim under HVAT, Civil Writ Petition preferred in the High Court for The States of Punjab and Haryana at Chandigarh	**-**	-	1.78
viii) Appeal preferred to Customs, Excise and Service Tax Appellate tribunal at Bengaluru	**40.65**	39.04	35.99

Matters	March 31, 2017	March 31, 2016	April 1, 2015
II) Guarantees:			
i) Guarantees given by Bank, counter guaranteed by the Company	**20.37**	39.18	31.09
ii) Guarantees given by the Company	**156.00**	-	-
III) Other Money for which Company is contingently liable:			
i) Letter of credit opened by Bank on behalf of the Company	**-**	1.99	3.27

b) Commitments

INR (in Crore)

I) Particulars	March 31, 2017	March 31, 2016	April 1, 2015
i) Uncalled amount of partly paid shares of Tahir Properties Limited	**0.00**	0.00	0.00
ii) Capital Commitment	**16.72**	15.77	16.73

II) The Company enters into construction contracts for Civil, Elevator, External Development, MEP work etc. with its vendors. The total amount payable under such contracts will be based on actual measurements and negotiated rates, which are determinable as and when the work under the said contracts are completed.

III) The Company has entered into development agreements with owners of land for development of projects. Under the agreements the Company is required to pay certain payments/ deposits to the owners of the land and share in built up area/ revenue from such developments in exchange of undivided share in land as stipulated under the agreements.

Note 44 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 to Micro & Small Enterprises on account of principal amount together with interest.

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
The principal amount remaining unpaid to suppliers	**-**	-	-
The interest due thereon remaining unpaid to suppliers	**-**	-	-
The amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	**-**	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	**-**	-	-

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 45 Amounts paid to Auditors

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Audit Fees	**0.72**	0.72	0.66
Audit Under Other Statutes	**0.22**	0.23	0.24
Taxation Matters	**0.33**	0.27	0.20
Certification	**0.04**	0.04	0.04
Reimbursement of Expenses	**0.01**	0.01	0.01
Total	**1.32**	1.27	1.15

The above amounts are net of applicable taxes.

Note 46 Foreign Exchange Difference

The amount of exchange difference included in the Statement of Profit and Loss, is INR 0.01 Crore (Net Loss) (Previous Year 2016: INR 0.01 Crore (Net Gain)).

Note 47 Corporate Social Responsibility

The Company has spent INR 1.29 Crore during the financial year(Previous Year: INR 2.18 Crore) as per the provisions of Section 135 of the Companies Act, 2013 towards Corporate Social Responsibility (CSR) activities grouped under 'Other Expenses'.

a) Gross amount required to be spent by the company during the year INR 1.29 Crore.

b) Amount spent during the year on :

INR (in Crore)

Particulars	**Amount Spent in Cash**	**Amount yet to be paid in Cash**	**Total Amount**
Year ending March 31, 2017			
(i) Construction / Acquisition of any Asset	**-**	**-**	**-**
(ii) On purposes other than (i) above	**1.29**	**-**	**1.29**
Year ending March 31, 2016			
(i) Construction / Acquisition of any Asset	-	-	-
(ii) On purposes other than (i) above	2.05	0.13	2.18

The total amount spent by the amalgamating Company (Happy Highrises Limited) during the year amounted to INR 0.33 Crore (Previous Year 2016: Nil) out of which INR 0.22 Crore (Previous Year 2016: Nil) was yet to be paid in cash.

Note 48 Related Party Disclosures

1. List of Related Parties as required by Ind AS - 24, "Related Party Disclosures", are given below:

i) Shareholders (Holding Company)

Godrej Industries Limited (GIL) holds 56.70% (Previous Year 2016: 56.73%) shares in the Company.
GIL is the subsidiary of Vora Soaps Limited, the Ultimate Holding Company w.e.f. March 30, 2017.(Godrej & Boyce Manufacturing Company Limited (G&B), was the Ultimate Holding Company upto March 29, 2017)

ii) Subsidiaries Companies:

1 Godrej Real Estate Private Limited (100%)
2 Godrej Buildcon Private Limited (100%)
3 Godrej Projects Development Private Limited (100%)
4 Godrej Garden City Properties Private Limited (100%)

5 Godrej Green Homes Limited (100%)
6 Godrej Home Developers Private Limited (100%)
7 Godrej Hillside Properties Private Limited (100%)
8 Godrej Investment Advisers Private Limited (100%)
9 Godrej Prakriti Facilities Private Limited (100%)
10 Godrej Highrises Properties Private Limited (100%)
11 Godrej Genesis Facilities Management Private Limited (100%)
12 Prakritiplaza Facilities Management Private Limited (100%)(w.e.f. July 28, 2016)
13 Godrej Fund Management Pte. Limited (100%) (Sub Subsidiary)
14 Godrej Vikhroli Properties India Limited (w.e.f January 25, 2017) formerly known as Godrej Vikhroli Properties LLP (upto January 24,2017)
15 Godrej Residency Private Limited (w.e.f March 16, 2017)
16 Wonder Projects Development Private Limited (Upto September 18,2016)
17 Godrej Greenview Housing Private Limited (Upto June 29, 2016)
18 Godrej Skyline Developers Private Limited (100%) (w.e.f November 22, 2016)
19 Godrej Real View Developers Private Limited (20%) (w.e.f Septemer 1, 2016 till March 28, 2017)
20 Pearlite Real Properties Private Limited (49%) (w.e.f September 2, 2016 upto March 29, 2017)
21 Citystar Infraprojects Limited (w.e.f January 12, 2017)

Subsidiaries-Limited Liability Partnerships:

1 Godrej Vikhroli Properties LLP (upto Janurary 24, 2017)
2 Godrej Highrises Realty LLP
3 Godrej Land Developers LLP
4 Godrej Developers & Properties LLP
5 Godrej Project Developers & Properties LLP
6 Godrej Highview LLP (w.e.f. September 29, 2016)
7 Godrej Skyview LLP (100%) (w.e.f October 19, 2016)
8 Godrej Green Properties LLP 100% (w.e.f October 27, 2016)
9 Godrej Projects (Pune) LLP (w.e.f February 5, 2017)
10 Godrej Projects (Soma) LLP(w.e,f March 6, 2017)
11 Godrej Projects (Bluejay) LLP (w.e.f March 2, 2017)
12 Godrej Century LLP(w.e.f March 14, 2017)

iii) Associate and Joint Ventures :

1 Godrej Realty Private Limited (51%)
2 Godrej Landmark Redevelopers Private Limited (51%)
3 Godrej Redevelopers (Mumbai) Private Limited. (51%)
4 Mosiac Landmarks LLP (1%)
5 Dream World Landmarks LLP (40%)
6 Oxford Realty LLP (35%)
7 Godrej SSPDL Green Acres LLP (37%)
8 Caroa Properties LLP (35%)
9 M S Ramaiah Ventures LLP (49.5%)
10 Oasis Landmarks LLP (38%)
11 Amitis Developers LLP (46%)
12 Godrej Construction Projects LLP (34%)
13 Godrej Housing Projects LLP (50%)
14 Godrej Greenview Housing Private Limited (20%) (w.e.f June 30, 2016)

NOTES FORMING PART OF FINANCIAL STATEMENTS

15 Wonder Space Properties Private Limited (25.1%)
16 Wonder City Buildcon Private Limited (25.1%)
17 Godrej Home Construction Private Limited (25.1%)
18 Wonder Projects Development Private Limited (20%) (w.e.f Septemer 19, 2016)
19 Godrej Property Developers LLP (32%)
20 Godrej One Premises Management Private Limited (30%)
21 Godrej Real View Developers Private Limited (20%) (w.e.f March 29, 2017)
22 Pearlite Real Properties Private Limited (49%) (w.e.f March 30, 2017)
23 Bavdhan Realty @ Pune 21 LLP (45%)(w.e.f October 26, 2016)
24 Prakhhyat Dwellings LLP (42.50%) (w.e.f September 2, 2016)
25 AR Landcraft LLP (40%) (w.e.f June 7, 2016)

iv) Other Related Parties in Group:

1 Godrej Investments Private Limited
2 Annamudi Real Estates LLP
3 Ensemble Holdings & Finance Limited
4 Godrej Agrovet Limited
5 Natures Basket Limited
6 Cream Line Dairy Products Limited

v) Key Management Personnel & Others :

1 Mr. A. B. Godrej
2 Mr. N.B. Godrej
3 Mr. Pirojsha Godrej
4 Mr. Mohit Malhotra
5 Ms. Parmeshwar Adi Godrej (Upto October 10, 2016)
6 Mr. Jamshyd N. Godrej
7 Mr. Amit Choudhury
8 Mr. K. B. Dadiseth
9 Mrs. Lalita Gupte
10 Mr.Pranay Vakil
11 Dr. Pritam Singh
12 Mr. S. Narayan
13 Mr. Amitava Mukherjee

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

INR (in Crore)

Nature of Transaction	Godrej & Boyce Manufacturing Company Limited (i)	Godrej industries Limited (i)	Subsidiary Companies & LLP (ii)	Joint Ventures & Associate (iii)	Other related parties in Group (iv)	Total
Transactions during the Year						
Purchase of Fixed Assets						
Current Year	**0.29**	**-**	**-**	**-**	**-**	**0.29**
Previous Year	*3.32*	*0.07*	-	-	-	*3.39*
Purchase of Units						
Current Year	**-**	**-**	**0.64**	**-**	**-**	**0.64**
Previous Year	-	-	*0.55*	-	-	*0.55*

INR (in Crore)

Nature of Transaction	Godrej & Boyce Manufacturing Company Limited (i)	Godrej industries Limited (i)	Subsidiary Companies & LLP (ii)	Joint Ventures & Associate (iii)	Other related parties in Group (iv)	Total
Dividend Paid/ (Received)						
Current Year	**-**	**-**	**(0.00)**	**-**	**-**	**(0.00)**
Previous Year	*1.88*	*22.49*	-	-	*1.51*	*25.88*
Expenses charged by other Companies / Entities						
Current Year	**11.92**	**9.26**	**15.65**	**4.82**	**3.17**	**44.82**
Previous Year	*23.45*	*9.11*	*16.59*	*1.47*	*2.61*	*53.23*
Interest Received on Debentures						
Current Year	**-**	**-**	**-**	**24.34**	**-**	**24.34**
Previous Year	-	-	-	*17.09*	-	*17.09*
Sale of Fixed Asset						
Current Year	**-**	**-**	**-**	**-**	**-**	**-**
Previous Year	-	-	*0.00*	-	-	*0.00*
Income Received from other Companies / Entities						
Current Year	**-**	**-**	**-**	**1.15**	**-**	**1.15**
Previous Year	-	-	-	-	-	-
Expenses charged to other Companies / Entities						
Current Year	**0.10**	**-**	**70.86**	**65.84**	**-**	**136.80**
Previous Year	-	-	*97.02*	*39.77*	-	*136.79*
Development Management Fees Received						
Current Year	**1.38**	**-**	**-**	**35.62**	**45.00**	**82.00**
Previous Year	*35.34*	-	-	*4.95*	-	*40.29*
Interest Income						
Current Year	**-**	**-**	**151.63**	**52.46**	**-**	**204.09**
Previous Year	-	-	*103.57*	*33.22*	-	*136.79*
Share of Profit/(Loss) in LLP						
Current Year	**-**	**-**	**97.57**	**(9.47)**	**-**	**88.10**
Previous Year	-	-	*1.25*	*16.75*	-	*18.00*
Amount received on transfer of Employee (Net)						
Current Year	**-**	**0.56**	**-**	**-**	**-**	**0.56**
Previous Year	-	*0.17*	-	-	*0.00*	*0.17*
Project taken over/ (transferred)						
Current Year	**-**	**-**	**-**	**-**	**-**	**-**
Previous Year	-	-	*(0.42)*	*(0.14)*	-	*(0.56)*

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF FINANCIAL STATEMENTS

INR (in Crore)

Nature of Transaction	Godrej & Boyce Manufacturing Company Limited (i)	Godrej industries Limited (i)	Subsidiary Companies & LLP (ii)	Joint Ventures & Associate (iii)	Other related parties in Group (iv)	Total
Commitments / Bank Guarnatee / LC issued / Corporate Guarantee issued						
Current Year	-	-	-	**156.05**	-	**156.05**
Previous Year	-	-	*28.03*	*0.25*	-	*28.28*
Investment made in Equity / Prefrence Share #						
Current Year	-	-	**0.70**	**4.37**	-	**5.07**
Previous Year	-	*8.37*	*28.20*	*2.18*	-	*38.75*
Investment made in Capital Account of LLP						
Current Year	-	-	-	**0.06**	-	**0.06**
Previous Year	-	-	*0.00*	*0.05*	-	*0.05*
Investment made in Debenture #						
Current Year	-	-	**21.00**	**94.82**	-	**115.82**
Previous Year	-	-	-	*41.39*	-	*41.39*
Investments Sold /Redeemed / Repayment of Partners Capital/ Withdrawal of Share of Profit						
Current Year	-	-	**97.40**	-	-	**97.40**
Previous Year	-	-	*20.27*	-	-	*20.27*
Loans & Advances given / (Taken) #						
Current Year	-	-	**1,060.63**	**502.20**	-	**1,562.83**
Previous Year	-	-	*1,657.73*	*231.81*	-	*1,889.54*
Loans repaid						
Current Year	-	-	**958.34**	**360.58**	-	**1,318.92**
Previous Year	-	-	*1,928.63*	*223.64*	-	*2,152.27*
Deposit given						
Current Year	-	-	-	**0.03**	**1.51**	**1.54**
Previous Year	-	-	-	-	-	-
Deposit repaid						
Current Year	-	**0.32**	-	-	-	**0.32**
Previous Year	-	*0.23*	-	-	-	*0.23*
Advance received against share of Profit						
Current Year	-	-	-	**20.78**	-	**20.78**
Previous Year	-	-	-	*5.65*	-	*5.65*

INR (in Crore)

Nature of Transaction	Godrej & Boyce Manufacturing Company Limited (i)	Godrej industries Limited (i)	Subsidiary Companies & LLP (ii)	Joint Ventures & Associate (iii)	Other related parties in Group (iv)	Total
Balance Outstanding as at year end						
Amount Receivables						
Current Year	**-**	**-**	**1,835.56**	**609.40**	**-**	**2,444.96**
Previous Year	*-*	*-*	*1,651.12*	*364.56*	*-*	*2,015.68*
FY 2014-15	*0.90*	*-*	*1,476.90*	*304.51*	*-*	*1,782.31*
Amount Payables						
Current Year	**3.00**	**0.91**	**180.91**	**-**	**0.01**	**184.83**
Previous Year	*9.22*	*2.26*	*167.35*	*0.01*	*2.50*	*181.34*
FY 2014-15	*-*	*1.47*	*86.50*	*-*	*0.01*	*87.98*
Deposit Receivables						
Current Year	**-**	**0.29**	**-**	**0.03**	**1.51**	**1.83**
Previous Year	*-*	*0.60*	*-*	*-*	*-*	*0.60*
FY 2014-15	*-*	*0.84*	*-*	*-*	*-*	*0.84*
Debenture Outstanding						
Current Year	**-**	**-**	**-**	**211.48**	**-**	**211.48**
Previous Year	*-*	*-*	*-*	*110.21*	*-*	*110.21*
FY 2014-15	*-*	*-*	*-*	*68.31*	*-*	*68.31*
Debenture Interest Outstanding						
Current Year	**-**	**-**	**-**	**47.27**	**-**	**47.27**
Previous Year	*-*	*-*	*-*	*27.39*	*-*	*27.39*
FY 2014-15	*-*	*-*	*-*	*12.60*	*-*	*12.60*
Commitments / BG / LC / Corporate Guarantee Outstanding						
Current Year	**-**	**-**	**4.08**	**160.65**	**-**	**164.73**
Previous Year	*-*	*-*	*18.03*	*10.97*	*-*	*29.00*
FY 2014-15	*-*	*-*	*18.31*	*10.72*	*-*	*29.03*

Includes Loan amount converted into Debenture amounting to INR 13.44 Crore and Equity amounting to INR 0.70 Crore.

(ii) Details relating to parties referred to in items 1(v) above

INR (in Crore)

Particulars	**March 31,2017**	March 31, 2016
Short term employee benefits	**8.84**	8.43
Post retirement benefits	**0.18**	1.08
Share based payment transactions	**0.57**	0.10
Total Compensation paid to Key Management Personnel	**9.59**	9.61
Dividend Paid	**-**	1.10
Interest paid on Deposit to relatives of KMP	**-**	0.00
Repayment of Deposit	**-**	0.03
Amount received from sale of Flats/ Units to KMP and their relative	**-**	0.27
Revenue recognised for sale of flats/units to KMP and their relative	**-**	1.08
Expenditure on Issue of Equity Shares under ESGS to KMP	**0.01**	0.04

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 49 Segment reporting

As per the requirements of Ind AS 108 on "Operating Segments", segment information has been provided under the Notes to Consolidated Financial Statements.

Note 50 First Time Adoption of Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The Company's opening Ind AS balance sheet was prepared as at April 1, 2015, the Company's date of transition to Ind AS. In preparing the opening balance sheet, the Company has applied the mandatory exceptions and certain optional exemptions from full retrospective application of Ind AS in accordance with the guidance in Ind AS 101 'First Time Adoption of Indian Accounting Standards'.

This note explains the principal adjustments made by the Company in restating its Indian GAAP (IGAAP) financial statements to Ind AS, in the opening balance sheet as at April 1, 2015 and in the financial statements as at and for the year ended as at March 31, 2016.

Reconciliation of Net Worth reported under IGAAP to Ind AS INR (in Crore)

Particulars	Note	March 31, 2016	April 1, 2015
Net worth as per Indian GAAP		**2,101.38**	**1,918.25**
Adjustments on account of application of Ind AS			
Obligation to acquire non controlling interest in Subsidiary (Put Option)	(a)	(228.13)	(195.92)
Realignment of project cost	(b)	(139.91)	(147.05)
Reversal of proposed dividend and related dividend distribution taxes	(c)	-	48.02
Impact of fair valuation of mutual funds and effective interest cost on convertible debentures	(e)	(0.10)	(0.24)
Consolidation of ESOP Trust	(d)	(40.06)	(40.18)
Impact of Amalgamation of HHL	Refer Note 42	28.11	37.84
Deferred Tax on Ind AS adjustments	(f)	63.97	69.62
Net worth as per Ind AS		**1,785.27**	**1,690.34**

Reconciliation of Net Profit reported under IGAAP to Ind AS INR (in Crore)

Particulars	Note	For the Year Ended March 31, 2016
Profit after Tax as per Indian GAAP		**30.37**
Adjustments on Account of Application of Ind AS		
Realignment of project cost	(b)	6.00
Impact of fair valuation of mutual funds and effective interest cost on convertible debentures	(e)	0.14
Consolidation of ESOP Trust	(d)	(0.08)
Amalgamation of HHL	Refer Note 42	(9.76)
Deferred tax on Ind AS adjustments	(f)	(4.55)
Total Comprehensive Income as per Ind AS		**22.12**

Note:

(a) Obligation to acquire non controlling interest in a subsidiary (Put Option)

The Company has granted put option to non controlling interests in one of its subsidiary, which gives the investor a right to sell their interests at guaranteed return to the Company on agreed terms. On transition to Ind AS, such put option has been classified as a financial liability payable to the investor and is re-measured at each reporting date and the difference is adjusted in equity.

(b) Inventories

The Company has undertaken a detailed exercise to determine the manner of expense allocation to inventory in context the of the requirements of Ind AS and accordingly have realigned allocation of expenses to project inventory.

(c) Proposed Dividend

Proposed dividend recognised under Indian GAAP has been derecognised under Ind AS. Under Ind AS, dividend on equity shares is recognised on receipt of approval from the relevant authority.

(d) Employee Benefits

Under Ind AS, the ESOP Trust is consolidated in the Company's Separate Financial Statements as the ESOP Trust was established by the Company for the administration of Employee Stock Option Plan of the Company. The Trust is merely acting as a Branch of the Company.

(e) Financial instruments

Under Indian GAAP, investments in mutual funds were measured at lower of cost or market value while under Ind AS, such investments are required to be measured at fair value with the resultant gain or loss being recognised in profit or loss.

Under Ind AS, investments in debentures instruments are required to be measured at amortised cost with interest income determined with reference to the effective interest rate.

(f) Deferred Taxes

Under Ind AS, deferred tax on account of fair value adjustment in relation to past schemes of amalgamation and on other Ind AS differences has been appropriately recognised.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 51 Specified Bank Notes Disclosure

In accordance with the Notification No.- G.S.R 308(E) issued by the Ministry of Corporate Affairs dated March 30, 2017, the details of Specified Bank Notes(SBN) held and transacted during the period November 8, 2016 to December 30, 2016 is provided in the table below:

Amount (in INR)

Particualars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on November 8, 2016	206,000	137,988	343,988
(+) Permitted Receipts	-	1,080,919	1,080,919
(-) Permitted Payments	-	941,191	941,191
(-) Amount deposited in Banks	206,000	-	206,000
Closing cash in hand as on December 30, 2016	**-**	**277,716**	**277,716**

Note 52 Information on Subsidiaries, Joint Ventures and Associate

a) Information on Subsidiaries

Sr. No.	Name of the Company	Country of Incorporation	Percentage of Holding		
			March 31, 2017 %	March 31, 2016 %	April 1, 2015 %
(i)	**Companies**				
1	Godrej Real Estate Private Limited	India	**100%**	100%	100%
2	Godrej Buildcon Private Limited	India	**100%**	100%	100%
3	Godrej Projects Development Private Limited	India	**100%**	100%	100%
4	Godrej Garden City Properties Private Limited	India	**100%**	100%	100%
5	Godrej Green Homes Limited	India	**100%**	100%	100%
6	Godrej Hillside Properties Private Limited	India	**100%**	100%	100%
7	Godrej Home Developers Private Limited	India	**97.56%**	97.56%	97.56%
8	Godrej Investment Advisers Private Limited	India	**100%**	100%	N.A.
9	Godrej Prakriti Facilities Private Limited	India	**100%**	100%	N.A.
10	Prakritiplaza Facilities Management Private Limited (incorporated on July 28, 2016)	India	**100%**	N.A.	N.A.
11	Godrej Highrises Properties Private Limited	India	**100%**	100%	N.A.
12	Godrej Fund Management Pte. Limited (100% Subsidiary of Godrej Investment Advisers Private Limited)	Singapore	**100%**	100%	N.A.

Sr. No.	Name of the Company	Country of Incorporation	Percentage of Holding		
			March 31, 2017 %	March 31, 2016 %	April 1, 2015 %
13	Godrej Vikhroli Properties India Limited (converted to Company on January 25, 2017)	India	**100%**	N.A	N.A.
14	Citystar Infraprojects Limited (w.e.f. January 12, 2017)	India	**100%**	N.A	N.A.
15	Godrej Residency Private Limited (Incorporated on March 16, 2017)	India	**100%**	N.A	N.A.
(ii)	**LLPs**				
1	Godrej Vikhroli Properties LLP (LLP upto January 24, 2017)	India	**-**	100%	60%
2	Godrej Highrises Realty LLP	India	**34%**	34%	N.A.
3	Godrej Project Developers & Properties LLP	India	**51%**	51%	N.A.
4	Godrej Highview LLP (Incorporated on September 29, 2016)	India	**100%**	N.A.	N.A.
5	Godrej Projects (Pune) LLP (Incorporated on February 5, 2017)	India	**100%**	N.A.	N.A.
b)	**Information on Joint Ventures:**				
(i)	**Companies:**				
1	Godrej Realty Private Limited	India	**51%**	51%	51%
2	Wonder Space Properties Private Limited	India	**25.10%**	25.10%	25.10%
3	Wonder City Buildcon Private Limited	India	**25.10%**	25.10%	25.10%
4	Godrej Home Constructions Private Limited	India	**25.10%**	25.10%	N.A
5	Godrej Greenview Housing Private Limited (ceased to be Subsidiary from June 30, 2016)	India	**20%**	100%	N.A
6	Wonder Projects Development Private Limited (ceased to be Subsidiary from September 19, 2016)	India	**20%**	100%	N.A
7	Godrej Real View Developers Private Limited (Incorporated on September 1, 2016)	India	**20%**	N.A	N.A
8	Pearlite Real Properties Private Limited (Incorporated on September 2, 2016)	India	**49%**	N.A	N.A

NOTES FORMING PART OF FINANCIAL STATEMENTS

Sr. No.	Name of the Company	Country of Incorporation	Percentage of Holding		
			March 31, 2017 %	March 31, 2016 %	April 1, 2015 %
(ii)	**LLPS**				
1	Godrej Property Developers LLP	India	**32%**	32%	32%
2	Mosiac Landmarks LLP	India	**1%**	1%	51%
3	Dream World Landmarks LLP	India	**40%**	40%	40%
4	Oxford Realty LLP	India	**35%**	26.67%	26.67%
5	Godrej SSPDL Green Acres LLP	India	**37%**	44%	44%
6	Oasis Landmarks LLP	India	**38%**	38%	38%
7	M S Ramaiah Ventures LLP	India	**49.50%**	49.50%	49.50%
8	Caroa Properties LLP	India	**35%**	35%	35%
9	Godrej Construction Projects LLP	India	**34%**	40%	100%
10	Godrej Housing Projects LLP	India	**50%**	40%	40%
11	Amitis Developers LLP	India	**46%**	46%	46%
12	A R Landcraft LLP	India	**29%**	N.A	N.A
13	Prakhhyat Dwellings LLP	India	**42.50%**	N.A	N.A
14	Bavdhan Realty @ Pune 21 LLP (Incorporated on October 26, 2016)	India	**45%**	N.A	N.A

In case of LLPs percentage of holding in the above table denotes the Share of Profits in the LLP.

c) Information on Associate:

(i)	**Companies**				
1	Godrej One Premises Management Private Limited	India	**30%**	30%	N.A

Note 53

(i) Disclosures under Regulation 34(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

INR (in Crore)

Name of the Entity	Balance as at		Maximum Outstanding during the year	
	March 31, 2017	March 31, 2016	**March 31, 2017**	March 31, 2016
Godrej Real Estate Private Limited	**200.09**	182.61	**200.09**	182.61
Godrej Realty Private Limited	**0.62**	0.43	**0.62**	0.43
Godrej Buildcon Private Limited	**402.22**	684.81	**733.70**	838.01
Godrej Projects Development Private Limited	**896.29**	766.15	**896.29**	766.15
Mosiac Landmarks LLP	**46.74**	33.20	**46.74**	33.20
Godrej Property Developers LLP	**0.10**	0.08	**0.09**	0.08
Godrej Vikhroli Properties India Limited (w.e.f from January 25, 2017, formerly known as Godrej Vikhroli Properties LLP uptill January 24, 2017)	**333.74**	15.24	**335.94**	100.65

INR (in Crore)

Name of the Entity	Balance as at		Maximum Outstanding during the year	
	March 31, 2017	March 31, 2016	**March 31, 2017**	March 31, 2016
Dream World Landmarks LLP	**42.75**	49.03	**51.21**	49.03
Wonder City Buildcon Private Limited	**-**	-	**0.05**	0.31
Godrej Green Homes Limited	**0.00**	0.00	**0.24**	0.00
Oxford Realty LLP	**76.14**	68.34	**79.03**	85.46
Godrej SSPDL Green Acres LLP	**18.85**	20.08	**20.20**	20.08
M S Ramaiah Ventures LLP	**1.14**	0.45	**1.14**	0.45
Oasis Landmarks LLP	**110.35**	78.22	**110.35**	104.22
Caroa Properties LLP	**158.09**	91.83	**158.09**	91.83
Godrej Construction Projects LLP	**9.48**	10.27	**12.72**	11.54
Godrej Housing Projects LLP	**26.44**	0.37	**26.44**	0.37
Amitis Developers LLP	**25.99**	11.56	**25.99**	11.56
Godrej Land Developers LLP*	**0.01**	0.00	**0.01**	0.00
Godrej Developers & Properties LLP	**0.01**	0.00	**0.01**	0.00
Godrej Highrises Realty LLP	**2.85**	2.32	**2.85**	2.32
Godrej Project Developers & Properties LLP	**0.01**	0.00	**0.01**	0.00
Wonder Projects Development Private	**-**	0.00	**50.04**	0.00
AR Land Craft LLP	**79.70**	-	**79.90**	-
Prakhhyat Dwellings LLP	**9.10**	-	**9.10**	-
Bavdhan Realty @ Pune 21 LLP	**2.73**	-	**2.73**	-
Pearlite Real Properties Private Limited	**0.55**	-	**7.89**	-
Godrej Highrises Properties Private Limited	**-**	-	**-**	-
Citystar Infraprojects Limited	**0.34**	-	**0.34**	-

(ii) Disclosure pursuant to Section 186 of the Companies Act, 2013:

INR (in Crore)

Sr. No	Nature of Transaction(loans given/ investment made/ guarantee given/ security provided)	Purpose for which the loan/ guarantee/ security is proposed to be utilised by the recipient	Balance as at		Movement during the Year
			March 31, 2017	March 31, 2016	
1	**Loans andAdvances**				
	Godrej Real Estate Private Limited	Working Capital	**200.09**	182.61	17.48
	Godrej Realty Private Limited	Working Capital	**0.62**	0.43	0.19
	Godrej Buildcon Private Limited	Working Capital	**402.22**	684.81	(282.59)
	Godrej Projects Development Private Limited	Working Capital	**896.29**	766.15	130.14
	Mosiac Landmarks LLP	Working Capital	**46.74**	33.20	13.54
	Godrej Property Developers LLP	Working Capital	**0.10**	0.08	0.02

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF FINANCIAL STATEMENTS

INR (in Crore)

Sr. No	Nature of Transaction(loans given/ investment made/ guarantee given/ security provided)	Purpose for which the loan/ guarantee/ security is proposed to be utilised by the recipient	Balance as at March 31, 2017	Balance as at March 31, 2016	Movement during the Year
	Godrej Vikhroli Properties India Limited (w.e.f from 25.01.2017, formerly known as Godrej Vikhroli Properties LLP uptill 24.01.2017)	Working Capital	**333.74**	15.24	318.50
	Dream World Landmarks LLP	Working Capital	**42.75**	49.03	(6.28)
	Wonder City Buildcon Private Limited	Working Capital	**-**	-	-
	Godrej Green Homes Limited	Working Capital	**0.00**	0.00	0.00
	Oxford Realty LLP	Working Capital	**76.14**	68.34	7.80
	Godrej SSPDL Green Acres LLP	Working Capital	**18.85**	20.08	(1.23)
	M S Ramaiah Ventures LLP	Working Capital	**1.14**	0.45	0.69
	Oasis Landmarks LLP	Working Capital	**110.35**	78.22	32.13
	Caroa Properties LLP	Working Capital	**158.09**	91.83	66.26
	Godrej Construction Projects LLP	Working Capital	**9.48**	10.27	(0.79)
	Godrej Housing Projects LLP	Working Capital	**26.44**	0.37	26.07
	Amitis Developers LLP	Working Capital	**25.99**	11.56	14.43
	Godrej Land Developers LLP	Working Capital	**0.01**	0.00	0.01
	Godrej Developers & Properties LLP	Working Capital	**0.01**	0.00	0.01
	Godrej Highrises Realty LLP	Working Capital	**2.85**	2.32	0.53
	Godrej Project Developers & Properties LLP	Working Capital	**0.01**	0.00	0.01
	Wonder Projects Development Private	Working Capital	**-**	0.00	-
	AR Land Craft LLP	Working Capital	**79.70**	-	79.70
	Prakhhyat Dwellings LLP	Working Capital	**9.10**	-	9.10
	Bavdhan Realty @ Pune 21 LLP	Working Capital	**2.73**	-	2.73
	Pearlite Real Properties Private Limited	Working Capital	**0.55**	-	0.55
	Godrej Highrises Properties Private Limited	Working Capital	**0.00**	-	0.00
	Citystar Infraprojects Limited	Working Capital	**0.34**	-	0.34

INR 0.00 represents amount less than INR 50,000

INR (in Crore)

Sr. No	Nature of Transaction(loans given/ investment made/ guarantee given/ security provided)	Purpose for which the loan/ guarantee/ security is proposed to be utilised by the recipient	Balance as at March 31, 2017	Balance as at March 31, 2016	Movement during the Year
2	**Guarantees**				
	Godrej Buildcon Private Limited	Working Capital	**-**	2.03	(2.03)
	Godrej Projects Development Private Limited	Working Capital	**4.08**	15.90	(11.82)
	Oasis Landmarks LLP	Working Capital	**4.50**	10.72	(6.22)
	Mosiac Landmarks LLP	Working Capital	**0.05**	0.05	-
	Godrej Vikhroli Properties LLP	Working Capital	**-**	0.10	(0.10)
	Dream World Landmarks LLP	Working Capital	**0.10**	0.10	-
	Godrej SSPDL Green Acres LLP	Working Capital	**-**	0.10	(0.10)
	Pearlite Real Properties Private Limited	Working Capital	**90.00**	-	90.00
	Wonder Projects Development Private Limited	Working Capital	**66.00**	-	66.00
3	**Investment**		**Refer Note 3**	Refer Note 3	

INR 0.00 represents amount less than INR 50,000

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GODREJ PROPERTIES LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **GODREJ PROPERTIES LIMITED** ("the Holding Company") and its subsidiaries, (the Holding Company and its subsidiaries collectively referred to as "the Group"), its associate and its joint ventures comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Statement of Cash Flows, consolidated Statement of Changes in Equity, for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group including its associate and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Act. The respective Board of Directors of the companies / Designated Partners of the Limited Liability Partnerships included in the group and of its associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Group and its associate and its joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by another auditor in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of another auditor on separate financial statements and on the other financial information of a subsidiary, the

aforesaid consolidated 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, of the consolidated state of affairs (financial position) of the Group, its associate and joint ventures as at March 31, 2017, and their consolidated profit (financial performance including other comprehensive income), their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matter

We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of ₹ 9.39 Crore as at March 31, 2017 and net assets of ₹ 7.49 Crore as at March 31, 2017, total revenue of ₹ 9.78 Crore and net cash inflows amounting to ₹ 8.23 Crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by another auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditor.

Our opinion above on the consolidated financial statements, and our report on Other Legal & Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of another auditor on separate financial statements and the other financial information of the subsidiary, as noted in the 'other matter' paragraph, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.

    c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

    d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors of the Group Companies, associate and joint venture companies incorporated in India as on March 31, 2017, and taken on record by the Board of Directors of the respective Group Companies, associate and joint venture companies incorporated in India, none of the directors of the Group companies, are disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) of the Act.

    f) With respect to the adequacy of the internal financial controls over financial reporting of the Group, associate and joint ventures and the operating effectiveness of such controls, refer to our separate report in **"Annexure A"**; and

    g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of another auditor on separate financial statements as also the other financial information of the subsidiary as noted in the 'Other Matter' paragraph:

        i. The Group, it's associate and joint ventures have disclosed the impact of pending litigations on their consolidated financial position in its consolidated financial statements - Refer Note 42 (a) (I) to the consolidated financial statements.

ii. The Group, it's associate and joint ventures have made provision, as required under the applicable law or accounting standard, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies, its associate and joint venture companies incorporated in India.

iv. The Company has provided requisite disclosures in the consolidated financial statements as to its holdings as well as dealings in Specified Bank Notes as specified in the Notification G.S.R. 308(E) dated March 30, 2017 of the Ministry of Corporate Affairs, during the period from November 8, 2016 to December 30, 2016 of the Group entities as applicable. Based on audit procedures performed and relying on the management representation we report that the disclosures are in accordance with the relevant books of account maintained by those entities for the purpose of preparation of the consolidated financial statements and as produced to us by the management of the respective Group entities – Refer Note 50 to the consolidated financial statements.

For **KALYANIWALLA & MISTRY LLP**
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W/W100166

FARHAD M. BHESANIA
PARTNER
Membership Number 127355

Place: Mumbai
Dated: May 04, 2017

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Para 1 (f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the consolidated Ind AS financial statements for the year ended March 31, 2017.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **GODREJ PROPERTIES LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary companies, its associate company and joint venture companies, incorporated in India, as at March 31, 2017 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended and as on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, its associate company and joint venture companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company, its subsidiary companies, its associate company and joint venture companies incorporated in India, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary companies, its associate company and joint venture companies which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Holding Company, its subsidiary companies, its associate company and joint venture companies which are companies incorporated in India, considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For **KALYANIWALLA & MISTRY LLP**
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W/W100166

FARHAD M. BHESANIA
PARTNER
Membership Number 127355

Place: Mumbai
Dated: May 04, 2017

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017

INR (in Crore)

Particulars	Note	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
ASSETS				
Non Current Assets				
Property, Plant and Equipment	2	**74.79**	77.77	10.36
Capital Work-in-Progress	2	**0.01**	0.21	57.13
Goodwill		**0.04**	-	53.27
Other Intangible Assets	2	**27.23**	28.92	30.53
Intangible Assets Under Development	2	**0.02**	0.32	0.10
Investment In Joint Ventures And Associate	3	**81.40**	58.25	39.41
Financial Assets				
Investments	4	**312.36**	239.18	208.16
Loans	5	**74.72**	97.09	99.57
Other Non Current Financial Assets	6	**2.01**	4.18	7.33
Deferred Tax Assets (Net)	7(a)	**138.39**	122.26	124.16
Income Tax Assets (Net)	8	**136.32**	81.59	40.63
Other Non Current Non Financial Assets	9	**15.28**	15.28	15.28
Total Non Current Assets		**862.57**	725.05	685.93
Current Assets				
Inventories	10	**3,966.12**	3,923.08	3,787.11
Financial Assets				
Investments	11	**366.26**	366.51	542.76
Trade Receivables	12	**221.82**	171.88	179.10
Cash And Cash Equivalents	13	**73.82**	47.49	27.21
Bank Balances Other Than Above	14	**36.58**	58.15	58.75
Loans	15	**741.67**	525.79	536.55
Other Current Financial Assets	16	**730.41**	604.23	570.91
Other Current Non Financial Assets	17	**179.84**	156.28	186.79
Total Current Assets		**6,316.52**	5,853.41	5,889.18
TOTAL ASSETS		**7,179.09**	6,578.46	6,575.11
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	18	**108.18**	108.13	99.68
Other Equity	19	**1,895.55**	1,656.69	1,500.54
Non Controlling Interest	47	**-**	-	133.71
Total Equity		**2,003.73**	1,764.82	1,733.93
LIABILITIES				
Non Current Liabilities				
Financial Liabilities				
Borrowings	20	**474.75**	500.00	505.48
Trade Payables	21	**0.52**	-	1.42
Deferred Tax Liabilities (Net)	7(a)	**0.20**	-	-
Provisions	22	**6.71**	5.49	4.59
Total Non Current Liabilities		**482.18**	505.49	511.49
Current Liabilities				
Financial Liabilities				
Borrowings	23	**3,501.73**	2,617.46	2,628.21
Trade Payables	24	**467.89**	594.89	504.90
Other Current Financial Liabilities	25	**200.60**	424.99	542.87
Other Current Non Financial Liabilities	26	**510.49**	662.55	645.92
Provisions	27	**0.17**	0.14	1.29
Current Tax Liabilities (Net)	28	**12.30**	8.12	6.50
Total Current Liabilities		**4,693.18**	4,308.15	4,329.69
Total Liabilities		**5,175.36**	4,813.64	4,841.18
TOTAL EQUITY AND LIABILITIES		**7,179.09**	6,578.46	6,575.11
Accounting Policies	1			

The accompanying notes 1 to 52 form an integral part of the Financial Statements

As per our Report of even date.
For **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Registration Number 104607W/W100166

FARHAD M. BHESANIA
Partner
Membership Number 127355
Mumbai, Dated: May 04, 2017

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

PIROJSHA GODREJ
Executive Chairman
DIN: 00432983

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

SURENDER VARMA
Company Secretary
ICSI Membership No: A10428

RAJENDRA KHETAWAT
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2017

INR (in Crore)

Particulars	Note	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
INCOME			
Revenue from Operations	29	**1,582.93**	2,122.61
Other Income	30	**125.42**	129.45
Total Income		**1,708.35**	2,252.06
EXPENSES			
Cost of Sales	31	**1,080.90**	1,734.16
Employee Benefits Expense	32	**47.53**	44.98
Finance Costs	33	**101.53**	40.57
Depreciation and Amortisation	2	**14.50**	14.19
Other Expenses	34	**204.10**	206.83
Total Expenses		**1,448.56**	2,040.73
Profit before share of profit/(loss) in Joint ventures and tax		**259.79**	211.33
Share of Profit/(Loss) of Joint Ventures (net of tax)	3	**24.71**	16.34
Profit before Tax		**284.50**	227.67
Tax Expense			
Current Tax	7 (b)	**109.77**	65.60
Deferred Tax	7 (a)	**(32.07)**	2.31
Profit for the Year		**206.80**	159.76
Other Comprehensive Income			
Items that will not be subsequently reclassified to profit or loss			
Remeasurements of the defined benefit plan		**(0.48)**	(0.94)
Tax on above	7 (c)	**0.16**	0.32
Items that will be reclassified to profit or loss			
Exchange difference in translating the financial statements of foreign operation		**(0.36)**	(0.01)
Total Comprehensive Income for the Year		**206.12**	159.13
Profit attributable to:			
Equity holders of Parent		**206.80**	158.56
Non Controlling Interest		**-**	1.20
Total Comprehensive attributable to:			
Equity holders of Parent		**206.12**	157.93
Non Controlling Interest		**-**	1.20
Earnings Per Equity Share (Amount in INR)			
Basic	35	**9.60**	7.56
Diluted	35	**9.55**	7.52
Accounting Policies	1		

The accompanying notes 1 to 52 form an integral part of the Financial Statements

Signatures to the Consolidated Statement of Profit & Loss and Notes to Financial Statements

As per our Report of even date.
For **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Registration Number 104607W/W100166

FARHAD M. BHESANIA
Partner
Membership Number 127355
Mumbai, Dated: May 04, 2017

For and on behalf of the Board

PIROJSHA GODREJ
Executive Chairman
DIN: 00432983

SURENDER VARMA
Company Secretary
ICSI Membership No: A10428

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

RAJENDRA KHETAWAT
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2017

a) Equity Share Capital

INR (in Crore)

Particulars	As at March 31, 2017	As at March 31, 2016
Balance at the beginning of the reporting year	**108.13**	99.68
Changes in equity share capital during the year	**0.05**	8.45
Balance at the end of the reporting year	**108.18**	108.13

b) Other Equity

INR (in Crore)

Particulars	Reserves and Surplus						Exchange differences on translating the financial statements of a foreign operation	Total Before Non Controlling Interest	Non Controlling Interest	Total
	Capital Reserve	Capital Reserve on Account of Amalgamation	Securities Premium	Employee Stock Grant Scheme Reserve	Retained Earnings	Treasury shares				
Balance as at April 1, 2015	-	-	1,693.28	4.72	(167.34)	(30.12)	-	1,500.54	133.71	1,634.25
Total Comprehensive Income for the year										
i) Adjustment arising on Amalgamation/ Conversion of Subsidiaries	-	132.62	-	-	(53.35)	-	-	79.27	-	79.27
ii) Additions during the year	-	-	3.84	2.99	(3.34)	-	-	3.49	(134.91)	(131.42)
iii) Utilisations during the year	-	-	(0.45)	(3.85)	-	-	-	(4.30)	-	(4.30)
iv) Adjustment towards Put Option Liability	-	-	-	-	(32.21)	-	-	(32.21)	-	(32.21)
v) Profit for the year	-	-	-	-	158.56	-	-	158.56	1.20	159.76
vi) Other Comprehensive Income	-	-	-	-	(0.62)	-	(0.01)	(0.63)	-	(0.63)
Total	-	132.62	1,696.67	3.86	(98.31)	(30.12)	(0.01)	1,704.71	-	1,704.71
Contributions and Distributions										
Dividends (including DDT)	-	-	-	-	(48.02)	-	-	(48.02)	-	(48.02)
Balance as at March 31, 2016	-	132.62	1,696.67	3.86	(146.33)	(30.12)	(0.01)	1,656.69	-	1,656.69
Total Comprehensive Income for the year										
i) Adjustment arising on Amalgamation/ Conversion of Subsidiaries	-	-	-	-	(2.44)	-	-	(2.44)	-	(2.44)
ii) Additions during the year	7.20	-	2.55	2.38	0.12	30.12	-	42.37	-	42.37
iii) Utilisations during the year	-	-	-	(2.55)	-	-	-	(2.55)	-	(2.55)
iv) Adjustment towards Put Option Liability	-	-	-	-	(4.65)	-	-	(4.65)	-	(4.65)
v) Profit for the year	-	-	-	-	206.80	-	-	206.80	-	206.80
vi) Other Comprehensive Income	-	-	-	-	(0.31)	-	(0.36)	(0.67)	-	(0.67)
Balance as at March 31, 2017	**7.20**	**132.62**	**1,699.22**	**3.69**	**53.19**	**-**	**(0.37)**	**1,895.55**	**-**	**1,895.55**

The accompanying notes 1 to 52 form an integral part of the Financial Statements

As per our Report of even date.
For **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Registration Number 104607W/W100166

FARHAD M. BHESANIA
Partner
Membership Number 127355
Mumbai, Dated: May 04, 2017

Signatures to the Statement of changes in Equity and Notes to Financial Statements
For and on behalf of the Board

PIROJSHA GODREJ
Executive Chairman
DIN: 00432983

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

SURENDER VARMA
Company Secretary
ICSI Membership No: A10428

RAJENDRA KHETAWAT
Chief Financial Officer

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2017

INR (in Crore)

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Cash Flow from Operating Activities		
Profit before Taxation	**284.50**	227.67
Adjustment for:		
Depreciation and Amortisation	**14.50**	14.19
Finance Costs	**101.53**	40.57
(Profit) / Loss on sale of Property, Plant & Equipment and Intangible Assets (Net)	**(0.20)**	(0.02)
Assets Written Off	**0.00**	0.25
Provision for Doubtful Advances /(written back) (Net)	**-**	0.55
Share of (Profit) / Loss of Joint Ventures (net of tax)	**(24.71)**	(16.34)
Share Based Payments	**2.49**	2.98
Expenses of Amalgamation	**1.35**	3.90
Diminution in value of investments	**-**	0.00
Interest Income	**(102.39)**	(82.11)
Dividend Income	**-**	(0.00)
Income from Investment measured at FVTPL	**(21.77)**	(44.86)
Operating Profit before working capital changes	**255.30**	146.78
Adjustment for:		
Increase / (Decrease) in Non financial Liabilities	**(151.04)**	12.40
Increase / (Decrease) in Financial Liabilities	**(356.79)**	123.62
(Increase) / Decrease in Inventories	**171.61**	235.37
(Increase) / Decrease in Non financial Assets	**20.28**	89.07
(Increase) / Decrease in Financial Assets	**(345.33)**	(12.51)
	(661.27)	447.95
Taxes Paid (Net)	**(160.32)**	(104.94)
Net Cash Flow from Operating activities	**(566.29)**	489.79
Cash Flow from Investing Activities		
Purchase of Property, Plant & Equipment and Intangible Assets	**(9.42)**	(23.60)
Sale of Property, Plant & Equipment and Intangible Assets	**0.29**	0.09
Sale / (Purchase) of Investments	**(48.56)**	192.17
(Investment in) / Withdrawal from Joint Ventures	**1.56**	(2.50)
Expenses of Amalgamation	**(1.35)**	(0.47)
Interest Received	**71.59**	20.40
Dividend Received	**-**	0.00
Net Cash Flow from Investing Activities	**14.11**	186.09

INR 0.00 represents amount less than INR 50,000

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2017

INR (in Crore)

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Cash Flow from Financing Activities		
Proceeds from Issue of Equity Share Capital (net of issue expenses)	**0.05**	0.08
Proceeds from / (Repayment of) Long Term Borrowings (net)	**(30.73)**	(196.68)
Proceeds from / (Repayment of) Short Term Borrowings (net)	**642.50**	98.54
Interest Paid	**(311.90)**	(408.29)
Proceeds from Sale of Treasury Shares	**34.82**	-
Payment of Dividend	**(0.00)**	(39.89)
Tax on Distributed Profits	**-**	(8.12)
Net Cash Flow from Financing Activities	**334.74**	(554.36)
Net Increase in Cash & Cash Equivalent	**(217.44)**	121.52
Cash & Cash Equivalent - Opening Balance	**36.68**	(89.39)
Acquired Pursuant to the Scheme of Amalgamation	**-**	4.55
Cash & Cash Equivalent - Closing Balance	**(180.76)**	36.68

Notes :

1. Reconciliation of Cash and Cash Equivalents as per the Statement of Cash Flows

Cash and Cash Equivalents as per the above comprise of the following:

Particulars	March 31, 2017	March 31, 2016
Cash and Cash Equivalents (Refer Note 13)	**73.82**	47.49
Less: Bank Overdrafts repayable on Demand (Refer Note 23)	**254.56**	10.81
Cash and Cash Equivalents	**(180.76)**	36.68

2. The above Statement of Cash Flow include INR 2.86 Crore (Previous Year 2016: INR 2.05 Crore) towards Corporate Social Responsibility (CSR) activities (Refer Note 45).

INR 0.00 represents amount less than INR 50,000

The accompanying notes 1 to 52 form an integral part of the Financial Statements

As per our Report of even date.
For **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Registration Number 104607W/W100166

FARHAD M. BHESANIA
Partner
Membership Number 127355
Mumbai, Dated: May 04, 2017

For and on behalf of the Board

PIROJSHA GODREJ
Executive Chairman
DIN: 00432983

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

SURENDER VARMA
Company Secretary
ICSI Membership No: A10428

RAJENDRA KHETAWAT
Chief Financial Officer

Note 1

Basis of accounting and preparation of Consolidated Financial Statements

a) Group Overview

Godrej Properties Limited ("the Company") including its subsidiaries, limited liability partnerships and joint ventures, collectively referred to as ("the Group") is engaged primarily in the business of real estate construction, development and other related activities. The Company is incorporated and domiciled in India having its registered office at Godrej One, 5th Floor, Pirojshanagar, Eastern Express Highway, Vikhroli, Mumbai - 400079 and is listed on BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE.)

The Financial Statements of the Group for the year ended March 31, 2017 were approved by the Board of Directors and authorised for issue on May 4, 2017.

b) Basis of accounting

The financial statements of the subsidiaries, jointly controlled entities and associate used in the consolidation are drawn upto the same reporting date as that of the Company, i.e. March 31, 2017.

The Consolidated Financial Statements of the Group have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the Section 133 of the Companies Act, 2013 ("the 2013 Act"), and the relevant provisions and ammendments, as applicable. The Consolidated Financial Statements have been prepared on accrual basis under the historical cost convention except certain assets measured at fair value.

These financial statements are the Group's first Ind AS financial statements and are covered by Ind AS 101, First-time adoption of Indian Accounting Standards (Ind AS 101). The transition to Ind AS has been carried out from the accounting principles generally accepted in India ("Indian GAAP") which is considered as the "Previous GAAP" for purposes of Ind AS 101. Under previous GAAP financial statements were prepared in accordance with the Accounting Standards notified under section 133 of the Act read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP") and other relevant provisions of the Act as applicable.

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 & realisation of project into cash & cash equivalents and range from 3 to 7 years. Accordingly project related assets & liabilities have been classified into current & non current based on operating cycle of respective projects. All other assets and liabilities have been classified into current and non current based on a period of twelve months.

d) Functional and Presentation Currency

These consolidated financial statements are presented in Indian rupees, which is the functional currency of the parent company. All financial information presented in Indian rupees has been rounded to the nearest Crore.

e) Use of Estimates and Judgements

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the Consolidated Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

i) Evaluation of percentage completion

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

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognised in the financial statements for the period in which such changes are determined.

ii) Evaluation of control

The assessment as to whether the Group exercises control, joint control or significant influence over the entities in which it holds less than 100 percent voting rights.

The Group makes assumptions, when assessing whether it exercises control, joint control or significant influence over entities in which it holds less than 100 percent of the voting rights. These assumptions are made based on the contractual rights with the other shareholders, relevant facts and circumstances which indicate that the Group has power over the potential subsidiary or that joint control exists. Changes to contractual arrangements or facts and circumstances are monitored and are evaluated to determine whether they have a potential impact on the assessment as to whether the Group is exercising control over its investment.

iii) Useful life and residual value of property, plant and equipment and intangible assets

Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on internal technical evaluation. Assumptions are also made, when the Group assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

The estimation of residual value of assets is based on management's judgment about the condition of such asset at the point of sale of asset.

iv) Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and attrition rate. The discount rate is determined by reference to market yields at the end of the reporting period on government securities. The period to maturity of the underlying securities correspond to the probable maturity of the post-employment benefit obligations.

v) Share based Payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Group uses Black-Scholes model. The assumptions used for estimating fair value for share-based payment transactions are disclosed in Note 40.

vi) Fair value measurement of financial instruments

When the fair values of the financial assets and liabilities recorded in the balance sheet cannot be measured based on the quoted market prices in active markets, their fair value is measured using valuation technique. The inputs to these models are taken from the observable market where possible, but where this is not feasible, a review of judgment is required in establishing fair values. Changes in assumptions relating to these assumptions could affect the fair value of financial instruments.

f) Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of Cash Flows'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of Cash Flows'. The amendments are applicable to the Group from April 1, 2017. The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing

activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Group is currently evaluating the effect of the above amendments.

g) Measurement of fair values

The Group's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Group has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. When measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Significant Accounting Policies

a) Basis of Consolidation

i) Business combination

- The Group accounts for each business combination (other than common control transactions) by applying the acquisition method. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.
- The Group measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred, including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (measured at fair value) of the identifiable assets acquired and liabilities (including contingent liabilities in case such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably) assumed. When the fair value of the net identifiable assets acquired and liabilities assumed exceeds the consideration transferred, a bargain purchase gain is recognised as capital reserve.
- Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to settlement of pre-existing relationships.
- Transaction costs that the Group incurs in connection with a business combination are expensed as incurred.
- On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

- Put options issued to non-controlling interests are recognised as a liability and the subsequent changes in the put option are recognised directly in reserves.
- Acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as equity holders. The difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity.
- Common control transactions are accounted for based on pooling of interests method where the assets and liabilities of the acquiree are recorded at their existing carrying values, the identity of reserves of the acquiree is preserved and the difference between consideration and the face value of the share capital of the acquiree is adjusted with capital reserves.

The financial information in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements irrespective of the actual date of the combination.

ii) Subsidiaries

Subsidiaries are all entities (including special purpose entities) that are controlled by the Company. Control exists when the Group is exposed to, or has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases. For the purpose of preparing these consolidated financial statements, the accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

Upon loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the consolidated statement of Profit & Loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost and the differential is recognised in Statement of profit or loss. Subsequently, it is accounted for as an equity-accounted investee depending on the level of influence retained.

iii) Associates and jointly controlled entities (equity accounted investees)

Associates are those entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the entities but is not control or joint control of those policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity.

Joint arrangements are those arrangements over which the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Investments in associates and jointly controlled entities are accounted for using the equity method (equity accounted investees) and are initially recognised at cost. The carrying value of the Group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The Group does not consolidate entities where the non-controlling interest ("NCI") holders have certain significant participating rights that provide for effective involvement in significant decisions in the ordinary course of business of such entities. Investments in such entities are accounted by the equity method of accounting. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to zero and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the

Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in full while preparing these consolidated financial statements. Unrealised gains or losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee.

v) Acquisition of non-controlling interests

Acquisition of some or all of the non-controlling interest ("NCI") is accounted for as a transaction with equity holders in their capacity as equity holders. Consequently, the difference arising between the fair value of the purchase consideration paid and the carrying value of the NCI is recorded as an adjustment to retained earnings that is attributable to the parent company. The associated cash flows are classified as financing activities. No goodwill is recognised as a result of such transactions.

b) Property, Plant and Equipment & Depreciation

i) Recognition and Measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Property, Plant and Equipment are derecognised from financial statement, either on disposal or when no economic benefits are expected from its use or disposal. The gain or loss arising from disposal of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of Property, Plant and Equipment recognised in the statement of profit and loss account in the year of occurrence.

ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii) Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on Property, Plant and Equipment of the Group has been provided as per the written down value method as per the useful lives of the respective item of Property, Plant and Equipment.

Assets costing less than INR 5,000/- are depreciated at 100% in the year of acquisition.

Assets acquired on lease and leasehold improvements are depreciated over the period of the lease on straight line basis.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

c) Intangible Assets

i) Recognition and Measurement:

Items of Intangible Assets are measured at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible assets comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

ii) Subsequent Expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii) Amortisation

Intangible assets are amortised over their estimated useful life on Straight Line Method.

Trademark is amortised over a period of 20 years.

Intangible Assets (other than trademark) are amortised over a period of six years.

d) Impairment of Non Financial Assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Consolidated Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

Goodwill on business combinations is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Consolidated Statement of Profit and Loss, to the extent the amount was previously charged to the Consolidated Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

e) Foreign currency transactions/translations

Transactions in foreign currencies are translated to the respective functional currencies of entities within the Group at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date.

Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in the consolidated income statement in the period in which they arise.

In case of foreign operations whose functional currency is different from the parent company's functional currency, the assets and liabilities of such foreign operations, including goodwill and fair value adjustments arising upon acquisition, are translated to the reporting currency at exchange rates at the reporting date. The income and expenses of such foreign operations are translated to the reporting currency at the average exchange rates prevailing during the year. Resulting foreign currency differences are recognised in other comprehensive income/ (loss) and presented within equity as part of FCTR. When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is transferred to the consolidated income statement.

f) Financial instruments

I) Financial Assets

i) Classification

The Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

ii) Initial recognition and measurement

The Group recognises financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

iii) Subsequent measurement

For the purpose of subsequent measurement, the financial assets are classified in three categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through profit or loss
- Equity investments

iv) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Debt instruments at Fair Value through Profit or Loss

Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

v) Equity investments

All equity investments other than investment in subsidiaries, joint venture and associates are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in other comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

vi) Derecognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- the Group has transferred substantially all the risks and rewards of the asset, or
- the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

vii) Impairment of financial assets

The Group applies 'simplified approach' measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- Trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Loss at each reporting date, right from its initial recognition.

II Financial Liabilities

i) Classification

The Group classifies all financial liabilities as subsequently measured at amortised cost.

ii) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

iii) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and transactions costs. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to loans and borrowings.

iv) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

v) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

III. Share Capital

i) Ordinary equity shares

Incremental costs directly attributable to the issue of ordinary equity shares, are recognised as a deduction from equity.

ii) Treasury shares

The group has created an Employee Stock Options Trust (ESOP) for providing share-based payment to its employees. The group uses ESOP as a vehicle for distributing shares to employees under the employee remuneration schemes. The ESOP buys shares of the company from the market, for giving shares to employees. The group treats ESOP as its extension and shares held by ESOP are treated as treasury shares.

Treasury shares are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting period are deducted from treasury shares.

g) Inventories

Inventories comprising of completed flats and construction Work-in-Progress are valued at lower of cost or net realisable value.

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 Group.

h) Revenue Recognition

The Group is following the "Percentage of Completion Method" of accounting. As per this method, revenue from sale of properties is recognised in Statement of Profit & Loss in proportion to the actual cost incurred as against the total estimated cost of projects under execution with the Group on transfer of significant risk and rewards to the buyer.

In accordance with the "Guidance Note on Accounting for Real Estate Transactions" (for entities to whom Ind AS is applicable), construction revenue on such projects, measured at the fair value (i.e. adjusted for discounts, incentives, time value of money adjustments etc.), have been recognised on percentage of completion method provided the following thresholds have been met:

i) All critical approvals necessary for the commencement of the project have been obtained;

ii) The expenditure incurred on construction and development costs is not less than 25 per cent of the total estimated construction and development costs;

iii) At least 25 percent of the saleable project area is secured by contracts or agreements with buyers; and

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

iv) At least 10 percent of the contract consideration is realised 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 recognised in the financial statements for the period in which such changes are determined. Revenue from projects is recognised net of revenue attributable to the land owners. Losses, if any, are fully provided for immediately.

The Group has been entering into Development & Project Management agreements with land-owners. Accounting for income from such projects, measured at fair value, is done on accrual basis as per the terms of the agreement.

Group receives maintenance amount from the customers and utilises the same towards the maintenance of the respective projects. Revenue is recognised to the extent of maintenance expenses incurred by the Group towards maintenance of respective projects. Balance amount of maintenance expenses to be incurred is reflected as liability under the head other current liabilities.

Interest income is accounted on an accrual basis at effective interest rate.

Dividend income including share of profit in LLP is recognised when the right to receive the same is established.

i) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to items recognised directly in equity or in OCI.

i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Group:

- has a legally enforceable right to set off the recognised amounts; and
- Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes (including those arising from consolidation adjustments such as unrealised profit on inventory etc.).

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and
- The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

j) Employee Benefits

i) Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, after discounting the same.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses are recognised immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognised in Consolidated Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Consolidated Statement of Profit and Loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

ii) Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurement are recognised in Consolidated Statement of Profit and Loss in the period in which they arise.

k) Share-based payment transactions

Employees Stock Options Plans ("ESOPs") and Employee Stock Grant Scheme ("ESGS"): The grant date fair value of options granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognised in connection with share based payment transaction is presented as a separate component in equity under "Employee stock grant scheme reserve". The amount recognised as an expense is adjusted to reflect the actual number of stock options that vest.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

l) Leases

i) Finance Lease

Agreements are classified as finance leases, if substantially all the risks and rewards incidental to ownership of the leased asset is transferred to the lessee.

ii) Operating Lease

Agreements which are not classified as finance leases are considered as operating lease.

Operating lease payments/income are recognised as an expense/income in the statement of profit or loss on a straight line basis over the lease term.

m) Borrowing Cost

Borrowing costs are interest and other costs that the Group incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing.

Borrowing costs, pertaining to development of long term projects, are transferred to Construction work in progress, as part of the cost of the projects upto the time all the activities necessary to prepare these projects for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period which they are incurred.

n) Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

o) Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

p) Provisions and Contingent Liabilities

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed in the Notes. Contingent liabilities are disclosed for

i) possible obligations which will be confirmed only by future events not wholly within the control of the Group or

ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the Consolidated Financial Statements.

q) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

r) Transition to Ind AS

As stated in Note b, the Group's consolidated financial statements for the year ended March 31, 2017 are the first annual consolidated financial statements prepared in compliance with Ind AS.

The adoption of Ind AS was carried out in accordance with Ind AS 101, using April 1, 2015 as the transition date. Ind AS 101 requires that all Ind AS standards that are effective for the first Ind AS Consolidated Financial Statements for the year ended March 31, 2017, be applied consistently and retrospectively for all fiscal years presented.

All applicable Ind AS have been applied consistently and retrospectively wherever required. The resulting difference between the carrying amounts of the assets and liabilities in the consolidated financial statements under both Ind AS and Previous GAAP as of the Transition Date have been recognised directly in equity at the Transition Date.

In preparing these consolidated financial statements, the Group has availed certain exemptions and exceptions in accordance with Ind AS 101 as explained below:

i) Exemptions from retrospective application:

- Business combination exemption: The Group has applied the exemption as provided in Ind AS 101 on non-application of Ind AS 103, "Business Combinations" to business combinations consummated prior to the date of transition (April 1, 2015). Pursuant to this exemption, goodwill arising from business combination has been stated at the carrying amount under Previous GAAP.
- Share-based payment exemption: The Group has elected to apply the share based payment exemption available under Ind AS 101 on application of Ind AS 102, "Share Based Payment", to grants which remain unvested on April 1, 2015.
- Property, plant and equipment and intangibles exemption: The Group has elected to apply the exemption available under Ind AS 101 to continue the carrying value for all of its property, plant and equipment, investment properties and intangibles as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (April 1, 2015).
- The following requirements of Ind AS 110 are applied prospectively from the date of transition to Ind AS (provided that Ind AS 103 is not applied retrospectively to past business combinations):
  - To attribute total comprehensive income to non-controlling interests irrespective of whether this results in a deficit balance
  - To treat changes in a parents ownership interest as equity transactions
  - To apply Ind AS 110 to loss of control of a subsidiary

ii) Reconciliations: The following reconciliations provide a quantification of the effect of significant differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

- equity as at April 1, 2015;
- as at March 31, 2016;
- total comprehensive income for the year ended March 31, 2016; and
- cash flow statement as on March 31, 2016.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 2 Property, Plant & Equipment and Other Intangible Assets

INR (in Crore)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1, 2016	Additions during the year	Deductions during the year	As at March 31, 2017	Upto March 31, 2016	For the year	Deductions	Upto March 31, 2017	As at March 31, 2017	As at March 31, 2016
a) Property, Plant & Equipment										
Land	0.06	-	-	0.06	-	-	-	-	0.06	0.06
Building	59.12	0.87	-	59.99	2.66	2.70	-	5.36	54.63	56.46
Leasehold Improvements	7.97	0.61	0.86	7.72	1.65	1.68	0.87	2.46	5.26	6.32
Office Equipment	2.93	0.60	0.02	3.51	0.92	0.99	0.01	1.91	1.60	2.01
Site Equipments	-	0.63	-	0.63	-	0.05	-	0.05	0.59	-
Furniture & Fixtures	9.95	0.56	0.01	10.50	1.99	2.18	0.00	4.16	6.33	7.96
Computers	6.51	3.39	0.12	9.78	3.07	2.94	0.09	5.92	3.86	3.44
Vehicles	2.08	2.00	0.47	3.61	0.89	0.92	0.42	1.38	2.22	1.20
Electrical Installations and Equipments	0.44	-	-	0.44	0.12	0.08	-	0.20	0.24	0.32
Total Property Plant & Equipment	**89.06**	**8.66**	**1.48**	**96.24**	**11.30**	**11.54**	**1.39**	**21.44**	**74.79**	**77.77**
b) Other Intangible Assets										
Licences & Software	7.14	1.26	-	8.40	1.39	1.61	-	3.00	5.40	5.75
Trade Mark	24.52	-	-	24.52	1.35	1.35	-	2.70	21.83	23.17
Total Other Intangible Assets	**31.66**	**1.26**	**-**	**32.92**	**2.74**	**2.96**	**-**	**5.70**	**27.23**	**28.92**
c) Capital Work-in-progress									0.01	0.21
d) Intangible Assets under Development									0.02	0.32

INR (in Crore)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1, 2015 (Refer Note (i) below)	Additions during the year	Deductions during the year	As at March 31, 2016	Upto April 1, 2015	For the year	Deductions	Upto March 31, 2016	As at March 31, 2016	As at April 1, 2015
e) Property, Plant & Equipment										
Land	0.06	-	-	0.06	-	-	-	-	0.06	0.06
Building	1.32	57.80	-	59.12	-	2.66	-	2.66	56.46	1.32
Leasehold Improvements	1.67	6.30	-	7.97	-	1.65	-	1.65	6.32	1.67
Office Equipment	0.97	2.14	0.17	2.93	-	0.99	0.06	0.92	2.01	0.97
Site Equipments	-	-	-	-	-	-	-	-	-	-
Furniture & Fixtures	2.40	7.76	0.22	9.95	-	2.05	0.06	1.99	7.96	2.40
Computers	2.69	3.84	0.02	6.51	-	3.08	0.01	3.07	3.44	2.69
Vehicles	1.25	0.88	0.05	2.08	-	0.90	0.01	0.89	1.20	1.25
Electrical Installations and Equipment	-	0.44	-	0.44	-	0.12	-	0.12	0.32	-
Total Property Plant & Equipment	**10.36**	**79.16**	**0.46**	**89.06**	**-**	**11.45**	**0.14**	**11.30**	**77.77**	**10.36**

INR 0.00 represents amount less than INR 50,000

INR (in Crore)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1, 2015 (Refer Note (i) below)	Additions during the year	Deductions during the year	As at March 31, 2016	Upto April 1, 2015	For the year	Deductions	Upto March 31, 2016	As at March 31, 2016	As at April 1, 2015
f) Other Intangible Assets										
Licenses & Software	6.01	1.13	-	7.14	-	1.39	-	1.39	5.75	6.01
Trade Mark	24.52	-	-	24.52	-	1.35	-	1.35	23.17	24.52
Total Other Intangible Assets	**30.53**	**1.13**	**-**	**31.66**	**-**	**2.74**	**-**	**2.74**	**28.92**	**30.53**
g) Capital Work-in-progress									**0.21**	**57.13**
h) Intangible Assets under Development									**0.32**	**0.10**

Refer Note 23(a) & (b) for details of Fixed Assets pledged

Note (i): Table showing information regarding gross block of assets and accumulated depreciation and amortisation of Property, Plant and Equipment and Intangible Assets under Indian GAAP as on April 1, 2015 which is adjusted as the Gross block under Ind AS as on April 1, 2015

Particulars	As at April 1, 2015 INR (in Crore)		
	Gross Block (At Cost)	Accumulated Depreciation & Amortisation	Net Block
Property, Plant and Equity			
Land	0.06	-	0.06
Building	1.70	0.38	1.32
Leasehold Improvement	7.13	5.46	1.67
Office Equipment	4.26	3.29	0.97
Site Equipments	0.02	0.02	-
Furniture & Fixtures	6.04	3.64	2.40
Computer	7.66	4.97	2.69
Vehicles	3.95	2.70	1.25
	30.83	**20.47**	**10.36**
Other Intangible assets			
Licenses & Software	12.54	6.53	6.01
Trade Mark	27.00	2.48	24.52
	39.54	**9.01**	**30.53**
Total	**70.37**	**29.48**	**40.89**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 3 Investment In Joint Ventures and Associate

The Group does not have any material Joint Ventures and Associate. Aggregate information for Investments in Joint Ventures and Associate that are not material to the Group are as under:

a) Details of Joint Ventures: INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Carrying amount of Investment in Joint Ventures	**81.39**	58.24	39.41
Summarised Statement of Profit and Loss account			
Profit for the year	**60.84**	46.54	-
Other Comprehensive Income for the year	**-**	-	-
Total comprehensive Income (100%)	**60.84**	46.54	-
Share of Profit of Joint Ventures	**24.71**	16.34	-

b) Details of Associate (INR in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Carrying amount of Investment in Associate	**0.00**	0.00	0.00
Summarised Statement of Profit and Loss account			
Profit for the year	**-**	-	-
Other Comprehensive Income for the year	**-**	-	-
Total Comprehensive Income (100%)	**-**	-	-
Share of Profit of Associate	**-**	-	-

Note 4 Investments INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
a) Investment in Debentures of Joint Ventures (Fully Paid) (at Amortised Cost)			
2,989,095 (Previous Year 2016: 2,989,095; Previous Year 2015: 2,989,095), 1% Secured Redeemable optionally Convertible Debentures of INR 10/- each of **Godrej Realty Private Limited**	**2.99**	2.99	2.99
307,833 (Previous Year 2016: 307,833; Previous Year 2015: 307,833), 17.45% Compulsorily Convertible Debentures Class B of INR 1,000/- each of **Wonder City Buildcon Private Limited**	**31.94**	30.59	30.48
365,541 (Previous Year 2016: 353,618; Previous Year 2015: 353,618), 17.45% Compulsorily Convertible Debentures of INR 1,000/- each of **Wonder Space Properties Private Limited**	**37.52**	35.40	34.84
413,949 (Previous Year 2016: 413,949; Previous Year 2015: Nil), 17.45% Compulsorily Convertible Debentures of INR 1,000/- each of **Godrej Home Constructions Private Limited**	**41.34**	41.23	-
843,736 (Previour Year 2016: 843,736; Previous Year 2015: 611,182), 17.45% Unsecured Compulsorily Convertible Debentures of INR. 1000/- each of **Godrej Redevelopers (Mumbai) Private Limited**	**85.71**	85.33	60.49

INR 0.00 represents amount less than INR 50,000

Note 4 Investments

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
1,513,328 (Previous Year 2016: 4,364,039; Previous Year 2015: 7,936,120) 10% Secured Cumulative Optionally Convertible Debentures (Class-A) of INR. 100/- each of **Godrej Landmark Redevelopers Private Limited**	**15.16**	43.64	79.36
133,019 (Previous Year 2016: Nil; Previous Year 2015: Nil), 17.45% Unsecured Compulsorily Convertible Debentures of INR 1,000/- each of **Wonder Projects Development Private Limited**	**13.30**	-	-
674,975 (Previous Year 2016: Nil; Previous Year 2015: Nil) 17 % Unsecured Compulsorily Convertible Debentures of INR. 1000/- each of **Pearlite Real Properties Private Limited**	**67.50**	-	-
33,440 (Previous Year 2016: Nil; Previous Year 2015: Nil) 17 % Unsecured Compulsorily Convertible Debentures of INR.1000/- each of **Godrej Real View Deveopers Private Limited**	**3.34**	-	-
136,880 (Previous Year 2016: Nil; Previous Year 2015: Nil) 17.45% Unsecured Compulsorily Convertible Debentures of INR 1000/- each of **Godrej Greenview Housing Private Limited**	**13.55**	-	-
b) Investment in Fully paid up Equity Instruments (at Fair Value through Profit or Loss)			
(i) Quoted Investments			
100 (Previous Year 2016: 100; Previous Year 2015: 100) Equity Shares of INR 10/- each of **Alacrity Housing Limited**	**-**	-	0.00
100 (Previous Year 2016: 100; Previous Year 2015: 100) Equity Shares of INR 10/- each of **Ansal Buildwell Limited**	**0.00**	0.00	0.00
300 (Previous Year 2016: 300; Previous Year 2015: 300) of INR 10/- each of **Ansal Housing & Construction Limited**	**0.00**	0.00	0.00
600 (Previous Year 2016: 600; Previous Year 2015: 600) Equity Shares of INR 5/- each of **Ansal Properties & Infrastructure Limited**	**0.00**	0.00	0.00
100 (Previous Year 2016: 100; Previous Year 2015: 100) Equity Shares of INR 10/- each of **Lok Housing & Construction Limited**	**0.00**	0.00	0.00
100 (Previous Year 2016: 100; Previous Year 2015: 100) Equity Shares of INR 10/- each of **Global Infrastructure & Technologies Limited**	**-**	-	0.00
100 (Previous Year 2016: 100; Previous Year 2015: 100) Equity Shares of INR 10/- each of **Premier Energy & Infrastructure Limited**	**0.00**	0.00	0.00

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 4 Investments

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
100 (Previous Year 2016: 100; Previous Year 2015: 100) Equity Shares of INR 10/- each of			
D.S. Kulkarni Developers Limited	**0.00**	0.00	0.00
13,000 (Previous Year 2016: 13,000; Previous Year 2015: 13,000) Equity Shares of INR 2/- each of			
Unitech Limited	**0.00**	0.00	0.00
72 (Previous Year 2016: 72; Previous Year 2015: 72) Equity Shares of INR 10/- each of			
The Great Eastern Shipping Company Limited	**0.00**	0.00	0.00
18 (Previous Year 2016: 18; Previous Year 2015: 18) Equity Shares of INR 10/- each of			
GOL Offshore Limited	**0.00**	0.00	0.00
100 (Previous Year 2016: 100; Previous Year 2015: 100) Equity Shares of INR 10/- each of			
Radhe Developers (India) Limited	**0.00**	0.00	0.00
23,700 (Previous Year 2016: 23,700; Previous Year 2015: 23,700) Equity Shares of INR 10/- each of			
United Textiles Limited	**0.00**	0.00	0.00
(ii) Unquoted Investments			
1,000 (Previous Year 2016: 1,000; Previous Year 2015: 1,000) Equity Shares of INR 10/- each of			
Saraswat Co-operative Bank Limited	**0.00**	0.00	0.00
25,000 (Previous Year 2016: 25,000; Previous Year 2015: 25,000) Equity Shares of INR 10/- each of			
AB Corp Limited	**0.00**	0.00	0.00
	312.36	239.18	208.16
Aggregate Amount of Quoted Investments & Market Value there of	**0.00**	0.00	0.00

Note 5 Loans (Non Current)

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Secured			
Deposits - Projects (Refer Note (a) below)	**74.72**	97.08	99.35
Unsecured, Considered Good			
Deposits - Projects	**0.00**	-	-
Loans and Advances to Others	**-**	0.01	0.22
	74.72	97.09	99.57

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

INR 0.00 represents amount less than INR 50,000

Note 6 Other Non Current Financial Assets

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Deposit With Banks (Refer Note (a) below)	**0.78**	1.04	0.34
Deposits - Others	**1.14**	3.05	6.25
Interest Accrued	**-**	0.09	-
Expenses Recoverable	**0.09**	-	0.74
	2.01	4.18	7.33

(a) (i) Includes INR 0.76 Crore (Previous Year 2016: INR 0.71 Crore; Previous Year 2015: Nil) received from flat buyers and held in trust on their behalf in a corpus fund.

(ii) Includes INR 0.01 Crore (Previous Year 2016: INR 0.33 Crore; Previous Year 2015: INR 0.34 Crore) held as margin money and lien marked for issuing bank guarantee.

Note 7 Deferred Tax Assets / Liabilities and Tax Expense

a) Movement in Deferred Tax balances

INR (in Crore)

Particulars	Net balance March 31, 2016	Movement during the year			As at March 31, 2017		
		Recognised in profit or loss	Recognised in Equity	Others	Net	Deferred Tax Asset	Deferred Tax Liability
Deferred Tax Asset/ (Liabilities)							
Property, plant and equipment	(3.30)	(1.01)	-	-	(4.31)	(4.31)	-
Inventories	102.76	(8.86)	-	-	93.90	94.10	0.20
Employee benefits	1.94	0.43	0.16	-	2.53	2.53	-
Equity-settled Share-Based Payments	0.26	1.02	-	-	1.28	1.28	-
Unused Tax Credit	17.42	-	-	(17.42)	-	-	-
Other items	3.18	40.49	1.12	-	44.80	44.80	-
Deferred Tax Assets / (Liabilities)	**122.26**	**32.07**	**1.29**	**(17.42)**	**138.19**	**138.39**	**0.20**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

INR (in Crore)

Particulars	Net balance April 1, 2015	Movement during the year			As at March 31, 2016		
		Recognised in profit or loss	Recognised in Equity	Others	Net	Deferred Tax Asset	Deferred Tax Liability
Deferred Tax Asset/ (Liabilities)							
Property, plant and equipment	(1.83)	(1.47)	-	-	(3.30)	(3.30)	-
Inventories	119.46	(16.70)	-	-	102.76	102.76	-
Employee benefits	1.77	(0.16)	0.32	-	1.94	1.94	-
Equity-settled Share-Based Payments	2.45	(2.28)	0.09	-	0.26	0.26	-
Unused Tax Credit	9.09	8.33	-	-	17.42	17.42	-
Other items	(6.79)	9.97	-	-	3.18	3.18	-
Deferred Tax Assets / (Liabilities)	124.16	(2.31)	0.41	-	122.26	122.26	-

b) Amounts recognised in profit and loss

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016
Current Income Tax	**109.77**	65.60
Deferred Income Tax (Net)		
Origination and Reversal of Tax on Temperorary Differences	**(32.07)**	2.31
Tax expense for the year	**77.70**	67.91

c) Amounts recognised in Other Comprehensive Income

INR (in Crore)

Particulars	For the Year Ended March 31, 2017			For the Year Ended March 31, 2016		
	Before Tax	Tax (Expense) / Benefit	Net of Tax	Before Tax	Tax (Expense) / Benefit	Net of Tax
Remeasurements of defined benefit Liability	**(0.48)**	**0.16**	**(0.31)**	(0.94)	0.32	(0.61)
	(0.48)	**0.16**	**(0.31)**	(0.94)	0.32	(0.61)

d) Amounts recognised in Equity

During the Year Amount recognised in equity relates to Share Issue Expenses amounting to INR 1.12 Crore and in previous year it relates to Shares Based payments amounting to INR 0.09 Crore.

e) Reconciliation of effective tax rate

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016
Profit before tax	**284.50**	227.67
Tax using the Company's domestic tax rate	**98.46**	78.79
Tax effect of:		
Difference in Rate of Subsidiaries	**0.41**	0.00
Non-deductible expenses	**0.59**	6.14
Tax-exempt income	**0.00**	0.00
Change in recognised deductible temporary differences	**(6.49)**	(10.37)
Adjustment for tax of prior years	**3.26**	(4.00)
Unabsorbed Losses	**(9.94)**	(8.04)
Share of profit of joint venture	**(10.35)**	7.65
Other Adjustments	**1.76**	(2.28)
Tax expense recognised	**77.70**	67.91

f) As on April 1 2015, the Company has proposed dividend of INR 39.91 Crore. The corresponding dividend distribution tax to that extent of INR 8.12 Crore has not been recognised as a liability.

g) As at March 31, 2017, undistributed earning of Subsidiaries and Joint ventures amounted to INR 341.97 Crore (Previous Year 2016: INR 276.27 Crore Previous Year 2015: INR 157.65 Crore.) The corresponding deferred tax liability is not recognised because the Company controls the dividend policy of its subsidiaries and is able to veto the payment of dividends of its joint ventures i.e. the Company controls the timing of reversal of the related taxable temporary differences and management is satisfied that they will not reverse in the foreseeable future.

Note 8 Income Tax Assets (Net)

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Advance Tax & Tax Deducted At Source (Net)	**136.32**	81.59	40.63
	136.32	81.59	40.63

Note 9 Other Non Current Non Financial Assets

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Capital Advance	**15.28**	15.28	15.28
	15.28	15.28	15.28

Note 10 Inventories

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Finished Goods (Refer Note (a) below)	**56.74**	56.74	46.16
Construction Work in Progress	**3,909.38**	3,866.34	3,740.95
	3,966.12	3,923.08	3,787.11

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

i) 70 Equity shares of INR 100/- each, INR 20/- paid up

ii) 75 Redeemable Preference Class A shares of INR 100/- each, INR 70/- paid up.

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 11 Investments (Current)

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Quoted			
Investment in Mutual Funds carried at Fair Value through Profit or Loss	**366.26**	366.51	542.76
	366.26	366.51	542.76
Aggregate Amount of Quoted Investments & Market Value thereof	**366.26**	366.51	542.76

Note 12 Trade Receivables

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Unsecured, Considered Good	**221.82**	171.88	179.10
	221.82	171.88	179.10

Note 13 Cash and Cash Equivalents

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Balance With Banks			
on Current Accounts	**44.32**	32.97	16.76
on Fixed Deposit Accounts	**26.57**	11.86	9.64
Cash On Hand	**0.04**	0.04	0.03
Cheques On Hand	**2.89**	2.62	0.78
	73.82	47.49	27.21

Note 14 Bank Balances other than above

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Balance With Banks			
on Current Accounts (Refer Note (a) below)	**0.05**	0.05	0.04
on Fixed Deposit Accounts (Refer Note (b) below)	**36.53**	58.10	58.71
	36.58	58.15	58.75

(a) Balances with Banks in current accounts include INR 0.05 Crore (Previous Year 2016: INR 0.05 Crore; Previous Year 2015: INR 0.04 Crore) is on account of earmarked balance for unclaimed dividend.

(b) Includes:

(i) INR 3.15 Crore (Previous Year 2016: INR 3.14 Crore; Previous Year 2015: INR 3.80 Crore) received from flat buyers and held in trust on their behalf in a corpus fund.

(ii) Deposits held as Deposit Repayment Reserve amouting to INR 1.15 Crore (Previous Year 2016: INR 31 Crore; Previous Year 2015: INR 22 Crore)

(iii) Fixed deposits held as margin money and lien marked for issuing bank guarantee of INR 9.53 Crore (Previous Year 2016: INR 4.99 Crore; Previous Year 2015: INR 2.56 Crore)

Note 15 Loans (Current)

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Secured			
Deposits - Projects (Refer Note (a) below)	**169.54**	183.53	207.00
Unsecured, Considered Good			
Loans and Advances to Related Parties	**536.96**	296.23	280.78
Loans and Advances to Others	**14.08**	21.60	19.49
Loan To GIL ESOP Trust	**-**	4.04	5.10
(Net of provision for doubtful loan of INR Nil (Previous Year 2016: INR 0.46 Crore, Previous Year 2015: INR 0.46 Crore)			
Others	**21.09**	20.39	24.18
	741.67	525.79	536.55

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

Note 16 Other Current Financial Assets

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Deposits - Others	**43.02**	40.30	33.19
Unbilled Revenue	**518.23**	452.32	485.64
Interest Accrued	**139.84**	111.57	52.04
Others	**29.32**	0.04	0.04
	730.41	604.23	570.91

Note 17 Other Current Non Financial Assets

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Balances with Government Authorities	**79.90**	57.67	48.45
Advance to Suppliers & Contractors (Refer Note (a) below)	**59.56**	67.86	91.04
Capital Advance	**4.48**	1.00	-
Others	**35.90**	29.75	47.30
	179.84	156.28	186.79

(a) Advances to Suppliers and Contractors include advances amounting to INR 30.09 Crore (Previous Year 2016: 17.7 Crore; Previous Year 2015: 49.02 Crore) secured against Bank Guarantee.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 18 Equity Share Capital

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
a) Authorised			
538,000,000 Equity Shares of INR 5/- each (Previous Year 2016: 538,000,000 Equity Share of INR 5/- each; Previous Year 2015: 234,000,000 Equity Share of INR 5/- each)	**269.00**	269.00	117.00
	269.00	269.00	117.00
b) Issued, Subscribed & Paid Up			
216,364,692 Equity Shares of INR 5/- each (Previous Year 2016: 216,260,366 Equity Shares of INR 5/- each; Previous Year 2015: 199,357,788 Equity Shares of INR 5/- each) fully paid up	**108.18**	108.13	99.68
	108.18	108.13	99.68

c) During the year, the Company has issued 104,326 equity shares (Previous Year 2016: 156,816 equity shares; Previous Year 2015: 123,758 equity shares) under the Employee Stock Grant Scheme.

d) Reconciliation of number of shares outstanding at the beginning and end of the year :

Particulars	March 31, 2017		March 31, 2016		April 1, 2015	
	No. of Shares	**INR (in Crore)**	No. of Shares	INR (in Crore)	No. of Shares	INR (in Crore)
Equity Shares						
Outstanding at the beginning of the year	**216,260,366**	**108.13**	199,357,788	99.68	199,234,030	99.62
Issued during the year	**104,326**	**0.05**	16,902,578	8.45	123,758	0.06
Outstanding at the end of the year	**216,364,692**	**108.18**	216,260,366	108.13	199,357,788	99.68

e) Shareholding Information

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Equity Shares are held by			
Godrej Industries Limited (Holding Company)	**122,681,066**	122,681,066	112,450,304
Godrej & Boyce Manufacturing Company Limited (Ultimate Holding Company upto March 29, 2017)	**10,650,688**	10,650,688	9,395,688
Ensemble Holdings & Finance Limited (Subsidiary of Holding Company)	**1,382,310**	1,382,310	1,382,310

f) Rights, preferences and restrictions attached to Equity shares

The Company has only one class of equity share having a par value of INR 5/- 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.

g) Equity Shares allotted as fully paid up shares other than cash

Particulars	March 31, 2017		March 31, 2016		April 1, 2015	
	No. of Shares	**INR (in Crore)**	No. of Shares	INR (in Crore)	No. of Shares	INR (in Crore)
Equity Share:						
Godrej Industries Limited	**-**	**-**	16,745,762	8.37	-	-

h) Shareholders holding more than 5% shares in the company

Particulars	March 31, 2017		March 31, 2016		April 1, 2015	
	No. of Shares	**%**	No. of Shares	%	No. of Shares	%
Equity Share:						
Godrej Industries Limited	**122,681,066**	**56.70%**	122,681,066	56.73%	112,450,304	56.41%

i) Equity Shares Reserved for Issue Under Options

Particulars	March 31, 2017		March 31, 2016		April 1, 2015	
	No. of Shares	**INR (in Crore)**	No. of Shares	INR (in Crore)	No. of Shares	INR (in Crore)
(i) 19,446 Employee Stock Grants eligible for 19,446 equity shares of INR 5/- each vesting on May 31, 2015	**-**	**-**	-	-	19,446	0.01
(ii) 230 Employee Stock Grants eligible for 230 equity shares of INR 5/- each vesting on October 31, 2015	**-**	**-**	-	-	230	0.00
(iii) 240 Employee Stock Grants eligible for 240 equity shares of INR 5/- each vesting on January 31, 2016	**-**	**-**	-	-	240	0.00
(iv) 30,422 Employee Stock Grants eligible for 30,422 equity shares of INR 5/- each vesting on May 31, 2016	**-**	**-**	30,422	0.02	74,966	0.04
(v) 29,294 Employee Stock Grants eligible for 29,294 equity shares of INR 5/- each vesting on May 31, 2017	**29,294**	**0.01**	84,165	0.04	161,193	0.08
(vi) 40,000 Employee Stock Grants eligible for 40,000 equity shares of INR 5/- each vesting on May 31, 2015	**-**	**-**	-	-	40,000	0.02
(vii) 769 Employee Stock Grants eligible for 769 equity shares of INR 5/- each. vesting on October 31, 2017	**769**	**0.00**	1,537	0.00	2,305	0.00
(viii) 50,432 Employee Stock Grants eligible for 50,432 equity shares of INR 5/- each. Out of which 25,219 is vesting on May 31, 2017 and 25,213 is vesting on May 31, 2018	**50,432**	**0.03**	109,273	0.05	-	-
(ix) 13,908 Employee Stock Grants eligible for 13,908 equity shares of INR 5/- each. Out of which 6,954 is vesting on May 31, 2017 and 6,954 is vesting on May 31, 2018	**13,908**	**0.01**	20,862	0.01	-	-

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	March 31, 2017		March 31, 2016		April 1, 2015	
	No. of Shares	**INR (in Crore)**	No. of Shares	INR (in Crore)	No. of Shares	INR (in Crore)
(x) 2,073 Employee Stock Grants eligible for 2,073 equity shares of INR 5/- each. Out of which 1,036 is vesting on August 31, 2017 and 1,037 is vesting on August 31, 2018	**2,073**	**0.00**	6,218	0.00	-	-
(xi) 1,413 Employee Stock Grants eligible for 1,413 equity shares of INR 5/- each. Out of which 707 is vesting on January 1, 2018 and 706 is vesting on January 1, 2019	**1,413**	**0.00**	2,120	0.00	-	-
(xii) 113,423 Employee Stock Grants eligible for 113,423 equity shares of INR 5/- each. Out of which 37,813 is vesting on June 1, 2017, 37,808 is vesting on June 1, 2018 and 37,802 is vesting on June 1, 2019	**113,423**	**0.06**	-	-	-	-
(xiii) 2,612 Employee Stock Grants eligible for 2,612 equity shares of INR 5/- each. Out of which 870 is vesting on January 1, 2018, 871 is vesting on January 1, 2019 and 871 is vesting on January 1, 2020	**2,612**	**0.00**	-	-	-	-
(xiv) 613 Employee Stock Grants eligible for 613 equity shares of INR 5/- each. Out of which 205 is vesting on March 1, 2018, 204 is vesting on March 1, 2019 and 204 is vesting on March 1, 2020	**613**	**0.00**	-	-	-	-

Note 19 Other Equity

(INR in Crore)

Particulars	**March 31, 2017**	March 31, 2016
a) Capital Reserve (Refer Note (i) below)		
Opening Balance	**-**	-
Additions during the year	**7.20**	-
Closing Balance	**7.20**	-
b) Capital Reserve on Account of Amalgamation (Refer Note (ii) below)		
Opening Balance	**132.62**	-
Additions during the year	**-**	132.62
Closing Balance	**132.62**	132.62
c) Securities Premium (Refer Note (iii) below)		
Opening Balance	**1,696.67**	1,693.28
Additions during the year	**2.55**	3.84
Utilisations during the Year	**-**	(0.45)
Closing Balance	**1,699.22**	1,696.67

INR 0.00 represents amount less than INR 50,000

(INR in Crore)

Particulars		March 31, 2017	March 31, 2016
d)	**Employee Stock Grant Scheme Reserve** (Refer Note (iv) below)		
	Opening Balance	**3.86**	4.72
	Additions during the year	**2.38**	2.99
	Utilisations during the year	**(2.55)**	(3.85)
	Closing Balance	**3.69**	3.86
e)	**Retained Earnings**		
	Opening Balance	**(146.33)**	(167.34)
	Additions during the year	**0.12**	(3.34)
	Adjustment arising on Amalgamation/ Conversion of subsidiaries	**(2.44)**	(53.35)
	Adjustment towards Put Option Liability	**(4.65)**	(32.21)
	Profit for the Year	**206.80**	158.56
	Other Comprehensive Income	**(0.31)**	(0.62)
	Dividends (including DDT)	**-**	(48.02)
	Closing Balance	**53.19**	(146.33)
f)	**Treasury Shares** (Refer Note (v) below)		
	Opening Balance	**(30.12)**	(30.12)
	Additions during the year	**30.12**	-
	Closing Balance	**-**	(30.12)
g)	**Exchange differences on translating the financial statements of a foreign operation**		
	Opening Balance	**(0.01)**	-
	Other Comprehensive Income	**(0.36)**	(0.01)
	Closing Balance	**(0.37)**	(0.01)
		1,895.55	1,656.69

(i) Capital Reserve

Capital reserve is created on Sale of treasury Shares.

(ii) Capital Reserve on Account of Amalgamation

Capital reserves is on account of Amalgamation.

(iii) Securities Premium

The Securities Premium account has been created mainly on account of premium on issue of Equity shares.

(iv) Employee Stock Grant Scheme Reserve

The Company has employee stock grant scheme under which options to subscribe to the Company's shares have been granted to certain employees of the Company. The Employee Stock Grant Scheme Reserve is used to recognise the value of equity settled share based payments provided to employees, including Key Management Personnel, as part of their remuneration.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(v) Treasury Shares

The reserve for treasury shares of the Company includes the shares held by the ESOP trust considered as a branch of the Company. As at March 31, 2017 the Trust held Nil number of shares of the Company and 987,510 shares as at March 31, 2016.

Note 20 Borrowings (Non Current)

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Secured Loans			
Term Loan (Refer Note (a) below)	**474.75**	500.00	500.00
Deposits (Unsecured)			
From Shareholders	**-**	-	0.63
From Public	**-**	-	4.85
	474.75	500.00	505.48

(a) Secured term loan: Total Sanction amount INR 500 Crore bearing interest @ CPLR minus 730 BPS and secured by way of exclusive mortgage and charge of movable and immovable property, right, title interest in the designated account / escrow account and receivables of the project situated at Bandra Kurla Complex at Mumbai and pledge of 51% of equity shares of Godrej Buildcon Private Limited held by the Company. Godrej Buildcon Private Limited will repay a certain percentage of all sales receipts from the project, which percentage receivables is subject to review on a quarterly basis. However maximum principle outstanding shall not exceed as below from the date of first disbursement :

	INR (in Crore)
At the end of 56th Month	400
At the end of 57th Month	300
At the end of 58th Month	200
At the end of 59th Month	100
At the end of 60th Month	NIL

Note 21 Trade Payables (Non Current)

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Due to Micro and Small Enterprises (Refer Note 43)	**0.15**	-	0.13
Others	**0.37**	-	1.29
	0.52	-	1.42

Note 22 Provisions (Non Current)

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Provision for Employee Benefits			
Gratuity	**6.54**	5.42	4.53
Compensated Absences	**0.17**	0.07	0.06
	6.71	5.49	4.59

Note 23 Borrowings (Current)

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Secured Loans			
From Banks			
Loans Repayable on Demand (Refer Note (a) below)	**460.43**	571.72	602.77
Term Loan (Refer Note (b) below)	**800.00**	700.00	950.00
Unsecured Loans			
Loans Repayable on Demand (Refer Note (c) below)	**254.56**	10.81	116.60
Other Loans (Refer Note (d) below)	**1,986.74**	1,334.93	958.84
	3,501.73	2,617.46	2,628.21

(a) Loan Repayble on demand is on account of Cash Credit availed from Bank is secured by hypothecation of the Current Assets of the Company, mortgage of Immovable property of the Company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and hypothecation of Current Assets of Godrej Real Estate Private Limited and Godrej Projects Development Private Limited (both wholly owned subsidiaries) is provided as collateral security and carries interest at 1 Year Marginal Cost of Fund Based Lending Rate (MCLR)+ 0.35% p.a. Present effective rate 9.55 % p.a.

(b) Term Loans from Bank includes :

(i) Secured Working Capital Demand Loan of INR 400 Crore availed from Bank is secured by hypothecation of Current Assets of the Company, mortgage of Immovable property of the Company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and hypothecation of Current Assets of Godrej Real Estate Private Limited and Godrej Projects Development Private Limited (both wholly owned subsidiaries) is provided as collateral security and carries interest rate at 8.00% p.a.(Fixed) repayable on April 26, 2017.

(ii) Secured Working Capital Demand Loan of INR 100 Crore availed from Bank is secured by Mortgage of Immovable property of the Company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and hypothecation of Current Assets of Godrej Real Estate Private Limited and Godrej Projects Development Private Limited (both wholly owned subsidiaries) is provided as collateral security and carries interest rate at 8.00% p.a.(Fixed) repayable on April 15, 2017.

(iii) Secured Working Capital Demand Loan of INR 100 Crore availed from Bank is secured by Mortgage of Immovable property of the Company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and hypothecation of Current Assets of Godrej Real Estate Private Limited and Godrej Projects Development Private Limited (both wholly owned subsidiaries) is provided as collateral security and carries interest rate at 8.00% p.a.(Fixed) repayable on April 19, 2017.

(iv) Secured Working Capital Demand Loan of INR 100 Crore availed from Bank is secured by Mortgage of Immovable property of the Company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and hypothecation of Current Assets of Godrej Real Estate Private Limited and Godrej Projects Development Private Limited (both wholly owned subsidiaries) is provided as collateral security and carries interest rate at 8.00% p.a.(Fixed) repayable on April 09, 2017.

(v) Secured Working Capital Demand Loan of INR 100 Crore availed from Bank is secured by Mortgage of Immovable property of the Company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and hypothecation of Current Assets of Godrej Real Estate Private Limited and Godrej Projects Development Private Limited (both wholly owned subsidiaries) is provided as collateral security and carries interest rate at 8.00% p.a.(Fixed) repayable on April 13, 2017.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(c) Loan Repayable on Demand includes:

(i) Over Draft facility amounting to INR 248.12 Crore carries interest at 1 Month MCLR + 20 basis point. Present effective rate is 8.10% p.a.

(ii) INR 6.17 Crore of Overdraft carries interest at Base Rate. Present effective rate is 9.50% p.a.

(iii) INR 0.26 Crore of Over Draft facility carries interest at 1 Month MCLR + 100 basis point p.a. Present effective rate is 9.15% p.a.

(d) Other Unsecured loans includes:

(i) Short Term Loan amounting to INR 150 Crore carrying interest at 1 Month MCLR + 10 basis point p.a. Present effective rate is 8.00% p.a. Out of the above INR 75 Crore is repayable on September 20, 2017 and INR 75 Crore is repayable on September 25, 2017.

(ii) Short Term Loan amounting to INR 100 Crore carrying interest at 3 Month MCLR. Present effective rate is 8.75 % p.a. repayable on January 12, 2018.

(iii) Short Term Loan (STL) amounting to INR 250 Crore. Out of above INR 50 Crore carrying interest at 6 Month MCLR + 02 basis point p.a. Present effective rate is 7.97% p.a and INR 50 Crore, INR 75 Crore & INR 75 Crore carries interest at 3 Month MCLR. Present effective rate is 7.90% p.a. STL Repayable on May 24, 2017, August 09, 2017, August 21, 2017 & August 25, 2017 respectively.

(iv) INR 100 Crore availed from Commercial Papers carries interest at 6.58% p.a., repayable on May 19, 2017.

(v) INR 75 Crore availed from Commercial Papers carries interest at 6.58% p.a., repayable on May 26, 2017.

(vi) INR 80 Crore availed from Commercial Papers carries interest at 6.80% p.a., repayable on June 20, 2017.

(vii) INR 80 Crore availed from Commercial Papers carries interest at 6.80% p.a., repayable on June 23, 2017.

(viii) INR 75 Crore availed from Commercial Papers carries interest at 6.80% p.a., repayable on May 4, 2017.

(ix) INR 75 Crore availed from Commercial Papers carries interest at 6.80% p.a., repayable on May 8, 2017.

(x) INR 40 Crore availed from Commercial Papers carries interest at 6.80% p.a., repayable on May 9, 2017.

(xi) INR 80 Crore availed from Commercial Papers carries interest at 6.50% p.a., repayable on June 29, 2017.

(xii) INR 35 Crore availed from Commercial Papers carries interest at 6.87% p.a., repayable on May 9, 2017.

(xiii) INR 60 Crore availed from Commercial Papers carries interest at 6.87% p.a., repayable on May 12, 2017.

(xiv) INR 70 Crore availed from Commercial Papers carries interest at 6.87.% p.a., repayable on May 15, 2017.

(xv) INR 70 Crore availed from Commercial Papers carries interest at 6.87.% p.a., repayable on May 17, 2017.

(xvi) INR 10 Crore availed from Commercial Papers carries interest at 6.87.% p.a., repayable on May 17, 2017.

(xvii) INR 75 Crore availed from Commercial Papers carries interest at 6.69.% p.a., repayable on May 31, 2017.

(xviii)INR 75 Crore availed from Commercial Papers carries interest at 6.51.% p.a., repayable on June 05, 2017.

(xix) INR 85 Crore availed from Commercial Papers carries interest at 6.51.% p.a., repayable on June 07, 2017.

(xx) INR 70 Crore availed from Commercial Papers carries interest at 6.55.% p.a., repayable on June 14, 2017.

(xxi) INR 70 Crore availed from Commercial Papers carries interest at 6.55.% p.a., repayable on June 16, 2017.

(xxii) INR 25 Crore availed from Commercial Papers carries interest at 6.50.% p.a., repayable on June 28, 2017.

(xxiii) Short Term Loan amounting to INR 125 Crore is availed at rate of Interest 8.30 % p.a.(Fixed) repayable on September 05, 2017.

(xxiv) Short Term Loan amounting to INR 125 Crore is availed at rate of Interest 8.30 % p.a.(Fixed) repayable on August 30, 2017.

Note 24 Trade Payables (Current)

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Due to Micro and Small Enterprises (Refer Note 43)	**16.27**	19.49	11.16
Others	**451.62**	575.40	493.74
	467.89	594.89	504.90

Note 25 Other Current Financial Liabilities

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Current maturities of long term debts			
Unsecured Deposit			
From Directors	**-**	-	0.56
From Shareholders	**-**	0.63	22.41
From Public	**-**	4.86	173.71
Put Option Liability	**-**	243.85	211.64
Unclaimed Fixed Deposits & Interest	**1.48**	2.21	3.39
Unclaimed Dividend	**0.05**	0.05	0.05
Interest Accrued	**4.29**	-	-
Other Liabilities	**194.78**	173.39	131.11
	200.60	424.99	542.87

Note 26 Other Current Non Financial Liabilities

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Statutory Dues	**37.18**	38.74	35.37
Advances Received Against Sale of Flats/ Units	**415.35**	583.97	575.48
Other Liabilities	**57.96**	39.84	35.07
	510.49	662.55	645.92

Note 27 Provisions (Current)

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Provision for employee benefits			
Gratuity	**0.12**	0.10	0.67
Compensated Absences	**0.05**	0.04	0.62
	0.17	0.14	1.29

Note 28 Current Tax Liabilities (Net)

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Provision for Taxation (Net)	**12.30**	8.12	6.50
	12.30	8.12	6.50

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 29 Revenue from Operations

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016
Sale of Products	**1,427.32**	2,001.31
Other Operating Revenues		
Sale of Services	**109.13**	83.53
Compensation received from Project	**-**	15.04
Other Income from Customers	**44.70**	20.73
Lease Rent	**1.78**	2.00
	1,582.93	2,122.61

Note 30 Other Income

NR (in Crore)

Particulars	March 31, 2017	March 31, 2016
Interest Income	**102.39**	82.11
Dividends	**-**	0.00
Profit on Sale of Fixed Assets (Net)	**0.20**	0.02
Income from Investment measured at FVTPL (Refer Note (a) below)	**21.77**	44.86
Miscellaneous Income	**1.06**	2.46
	125.42	129.45

(a) Income from investments measured at FVTPL includes fair valuation impact of INR 3.46 Crore (Previous Year INR (12.60) Crore)

Note 31 Cost of Sales

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016
Opening Stock		
Finished Goods	**56.74**	46.16
Construction Work in Progress	**3,866.34**	3,740.95
Add: Expenditure during the year		
Land / Development Rights	**165.42**	490.03
Construction, Material & Labour	**591.18**	790.98
Architect Fees	**8.48**	13.37
Other Cost	**169.67**	219.40
Finance Cost	**190.33**	366.11
	5,048.16	5,667.00
Less : Transferred to Expenses	**0.65**	7.47
Less : Transferred to Fixed Assets	**-**	2.05
Less : Transferred to Capital WIP	**-**	0.24
Less : Transferred to Joint Venture (On Loss of Control)	**0.48**	-
Less : Closing Stock		
Finished Goods	**56.74**	56.74
Construction Work in Progress	**3,909.38**	3,866.34
	1,080.90	1,734.16

Note 32 Employee Benefits Expense

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016
Salaries, Bonus, Gratuity & Allowances	**40.62**	34.83
Contribution to Provident and Other Funds	**1.11**	5.51
Other Employee Benefits	**3.31**	1.66
Share Based Payments to Employees (Refer Note 40)	**2.49**	2.98
	47.53	44.98

Note 33 Finance Costs

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016
Interest Expense		
Banks and Financial Institutions	**172.10**	140.21
Others	**55.15**	185.70
Interest on Income Tax	**1.18**	1.21
Total Interest Expense	**228.43**	327.12
Other Borrowing costs	**87.75**	81.17
Total Finance Cost	**316.18**	408.29
Less: Captilised to Projects	**190.33**	366.11
Less: Recovery of Finance Cost	**24.32**	1.61
Net Finance Cost	**101.53**	40.57

Note 34 Other Expenses

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016
Consultancy Charges	**18.41**	9.01
Rent	**8.89**	4.94
Insurance	**0.95**	0.65
Rates & Taxes	**0.23**	0.06
Advertisement & Marketing Expense	**43.59**	69.57
Diminution in value of investments	**-**	0.00
Provision for Doubtful Advances /(written back) (Net)	**-**	0.55
Other Expenses (Refer Note 45)	**132.03**	122.05
	204.10	206.83

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 35 Earnings Per Share

a) Basic Earnings Per Share

The calculation of basic earnings per share is based on the profit attributable to ordinary shareholders and weighted - average number of ordinary shares outstanding.

(i) Profit attributable to ordinary shareholders (basic)

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016
Profit for the year, attributable to ordinary shareholders of the Company	**206.80**	158.56
	206.80	158.56

(ii) Weighted average number of ordinary shares (basic)

Particulars	March 31, 2017	March 31, 2016
Number of Equity Shares at the beginning of the year	**216,260,366**	199,357,788
Less: Effect of treasury shares held	**937,997**	987,510
Add: Effect of share issued during the year	**76,394**	11,277,691
	215,398,763	209,647,969
Basic Earnings Per Share (Amount in INR)	**9.60**	7.56

b) Diluted Earnings Per Share

The calculation of diluted earnings per share is based on the profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares.

(i) Profit attributable to ordinary shareholders (diluted)

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016
Profit for the year, attributable to ordinary shareholders of the Company	**206.80**	158.56
	206.80	158.56

(ii) Weighted average number of ordinary shares (diluted)

Particulars	March 31, 2017	March 31, 2016
Weighted average number of equity shares outstanding (basic)	**215,398,763**	209,647,969
Add: Effect of treasury shares held	**937,997**	987,510
Add: Potential equity shares under ESGS plan	**139,988**	163,215
	216,476,748	210,798,694
Diluted Earnings Per Share (Amount in INR)	**9.55**	7.52

Note 36 Employee Benefits

a) Defined Contribution Plans:

Contribution to Defined Contribution Plans, recognised as expense for the year are as under:

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016
Employer's Contribution to Provident Fund (Gross before Allocation)	**6.18**	5.51
Employer's Contribution to ESIC	**0.00**	0.00

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 Group's policy whichever is beneficial to the employees.

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(i) Change in present value of defined benefit obligation

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016
Present value of obligation as at beginning of the year	**5.52**	4.59
Interest Cost	**0.44**	0.37
Service Cost	**1.24**	0.98
Benefits Paid	**(1.04)**	(1.43)
Effect of Liability Transfer in	**0.03**	0.07
Effect of Liability Transfer out	**(0.00)**	-
Acturial (Gains)/ Losses on obligations- due to change in demographic assumptions	**-**	-
Acturial (Gains)/ Losses on obligations- due to change in financial assumptions	**0.19**	0.10
Acturial (Gains) /Losses on obligations- due to change in experience	**0.29**	0.84
Present value of obligation, as at end of the year	**6.67**	5.52

(ii) Amount recognised in the Balance Sheet

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Present value of obligation, as at end of the year	**6.67**	5.52	4.59
Fair value of plan assets as at end of the year	**-**	-	-
Net obligation as at end of the year	**6.67**	5.52	4.59

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(iii) Net gratuity cost for the year ended

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016
Recognised in the Statement of Profit and Loss		
Service Cost	**1.24**	0.98
Interest Cost	**0.44**	0.37
	1.68	1.35
Recognised in Other Comprehensive Income (OCI)		
Remeasurement due to:		
Acturial (Gains)/Losses on obligations- due to change in demographic assumptions	**-**	-
Acturial (Gains)/Losses on obligations- due to change in financial assumptions	**0.19**	0.10
Acturial (Gains)/Losses on obligations- due to change in experience	**0.29**	0.84
Net gratuity cost in Total Comprehensive Income	**2.16**	2.29

(iv) The Principal assumptions used in determining the present value of defined benefit obligation for the Companies plan are given below:

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Discount Rate	**7.74%**	7.95%	8.09%
Salary escalation rate	**5%**	5%	5%
Attrition Rate	**1%**	1%	1%
Experience Adjustment On Plan Liability - INR (in Crore)	**0.29**	0.84	1.82

(v) Sensitivity analysis

A quantitative sensitivity analysis on Defined Benefit Obligation for significant assumption as at March 31, 2017 is shown below:

Particulars	March 31, 2017		March 31, 2016	
	Increase	Decrease	Increase	Decrease
Discount Rate (1% movement)	**(0.83)**	**1.01**	(0.68)	0.82
Salary escalation rate (1% movement)	**1.03**	**(0.86)**	0.84	(0.71)
Attrition Rate (1% movement)	**0.23**	**(0.28)**	0.20	(0.24)

Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.

(vi) The expected future cash flows in respect of gratuity as at March 31, 2017 were as follows:

Maturity Analysis of Projected Benefit Obligation: From the Employer — INR (in Crore)

Projected Benefits Payable in Future Years from the Reporting Date	Amount
Expected future benefit payments	
1st Following Year	0.13
2nd Following Year	0.11
3rd Following Year	0.28
4th Following Year	0.20
5th Following Year	0.35
Sum of Years 6 to 10	2.18

Note 37 Financial instruments – Fair values and risk management

a) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value

INR (in Crore)

March 31, 2017	Carrying amount			Fair value			
	Fair value through profit and loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets							
Non Current							
Investments							
Investments in Debentures	-	312.35	312.35		312.35		312.35
Investments in Equity Instruments	0.00	-	0.00	0.00			0.00
Loans							
Deposits- Projects	-	74.72	74.72		78.55		78.55
Other Non Current Financial Assets	-	2.01	2.01				
Current							
Investments	366.26	-	366.26	366.26			366.26
Trade Receivables	-	221.82	221.82				
Cash and cash equivalents	-	73.82	73.82				
Bank balances other than above	-	36.58	36.58				
Loans							
Deposits- Projects	-	169.54	169.54		171.57		171.57
Others	-	572.13	572.13				
Other Current Financial Assets	-	730.41	730.41				
	366.26	2,193.38	2,559.64				

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

INR (in Crore)

March 31, 2017	Carrying amount			Fair value			
	Fair value through profit and loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Liabilities							
Non Current							
Borrowings	**-**	**474.75**	**474.75**				
Trade Payables	**-**	**0.52**	**0.52**				
Current							
Borrowings	**-**	**3,501.73**	**3,501.73**				
Trade Payables	**-**	**467.89**	**467.89**				
Other Current Financial Liabilities	**-**	**200.60**	**200.60**				
	-	**4,645.49**	**4,645.49**				

INR (in Crore)

March 31, 2016	Carrying amount			Fair value			
	Fair value through profit and loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets							
Non Current							
Investments							
Investments in Debentures	-	239.18	239.18		239.18		239.18
Investments in Equity Instruments	0.00	-	0.00	0.00			0.00
Loans							
Deposits- Projects	-	97.08	97.08		97.96		97.96
Others	-	0.01	0.01				
Other Non Current Financial Assets	-	4.18	4.18				
Current							
Investments	366.51	-	366.51	366.51			366.51
Trade Receivables	-	171.88	171.88				
Cash and cash equivalents	-	47.49	47.49				
Bank Balances other than above		58.15	58.15				
Loans							
Deposits- Projects	-	183.53	183.53		187.73		187.73
Others	-	342.26	342.26				
Other Current Financial Assets	-	604.23	604.23				
	366.51	**1,747.99**	**2,114.50**				
Financial Liabilities							
Non Current							
Borrowings	-	500.00	500.00				
Current							
Borrowings	-	2,617.46	2,617.46				
Trade Payables	-	594.89	594.89				
Other Current Financial Liabilities	-	424.99	424.99				
	-	**4,137.34**	**4,137.34**				

INR 0.00 represents amount less than INR 50,000

INR (in Crore)

April 1, 2015	Carrying amount			Fair value			
	Fair value through profit and loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets							
Non Current							
Investments							
Investments in Debentures	-	208.16	208.16		208.16		208.16
Investments in Equity Instruments	0.00	-	0.00	0.00			0.00
Loans							
Deposits- Projects	-	99.35	99.35		99.35		99.35
Others	-	0.22	0.22				
Other Non Current Financial Assets	-	7.33	7.33				
Current							
Investments	542.76	-	542.76	542.76			
Trade Receivables	-	179.10	179.10				
Cash and cash equivalents	-	27.20	27.20				
Bank Balances other than above	-	58.75	58.75				
Loans							
Deposits- Projects	-	207.00	207.00		207.00		207.00
Others	-	329.55	329.55				
Other Current Financial Assets	-	570.91	570.91				
	542.76	**1,687.58**	**2,230.34**				
Financial Liabilities							
Non Current							
Borrowings	-	505.48	505.48				
Trade Payables	-	1.42	1.42				
Current							
Borrowings	-	2,628.21	2,628.21				
Trade Payables	-	504.90	504.90				
Other Current Financial Liabilities	-	542.87	542.87				
	-	4,182.88	4,182.88				

b) Measurement of Fair Value

The Company uses the Discounted cash flow valuation techniques (in relation to Fair Value of Assets measured at amortised cost) which involves determination of present value of expected receipt/payment discounted using appropriate discounting rates. The fair value so determined are classified as Level 2.

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

c) Risk Management Framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors has established the Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

d) Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

(i) Credit Risk

(ii) Liquidity Risk and

(iii) Market Risk.

(i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, investments in debt securities, loans given to related parties and project deposits.

The carrying amount of financial assets represents the maximum credit exposure.

Trade Receivables

Customer credit risk is managed by requiring customers to pay advances through progress billings before transfer of ownership, therefore , substantially eliminating the credit risk in this respect.

The credit risk with regard to trade receivable has a high degree of risk diversification, due to the large number of projects of varying sizes and types with numerous different customer categories in a large number of geographical markets.

Based on prior experience and an assessment of the current economic environment, management believes there is no credit risk provision required. Also the Group does not have any significant concentration of credit risk.

The ageing of trade receivables are as follows:

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
More than 6 Months	**108.47**	107.07	88.61
Others	**113.35**	64.81	90.49
	221.82	171.88	179.10

The amounts reflected in the table above are not impaired as on the reporting date.

Investment in Debt Securities, Loans to Related Parties and Project Deposits

The Group has investments in compulsorily convertible debentures / optionally convertible debentures, loans to related parties and project deposits. The settlement of such instruments is linked to the completion of the respective underlying projects. Such Financial Assets are not impaired as on the reporting date.

Cash and Bank balances

Credit risk from Cash and Bank bank balances is managed by the Company's treasury department in accordance with the Company's policy.

(ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Management monitors rolling forecasts of the Group's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

The Group has access to funds from debt markets through loan from banks, commercial papers, fixed deposits from public and other Debt instrument. The Group invests its surplus funds in bank fixed deposits and debt based mutual funds.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. INR (in Crore)

March 31, 2017	**Carrying Amount**	**Contractual cash flows**				
		Total	**Within 12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Financial Liabilities						
Non Current						
Borrowings	**474.75**	**576.04**	**48.40**	**222.54**	**305.10**	**-**
Trade Payables	**0.52**	**0.52**	**-**	**0.52**	**-**	**-**
Current						
Borrowings	**3,501.73**	**3,546.22**	**3,546.22**	**-**	**-**	**-**
Trade Payables	**467.89**	**470.15**	**438.55**	**19.97**	**11.63**	**-**
Other Current Financial Liabilities	**200.60**	**200.60**	**199.85**	**0.75**	**-**	**-**

March 31, 2016	Carrying Amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Non-Current						
Borrowings	500.00	674.98	56.75	56.75	561.48	-
Trade Payables	-	-	-	-	-	-
Current						
Borrowings	2,617.46	2,656.60	2,656.60	-	-	-
Trade Payables	594.89	612.33	582.95	14.29	15.09	-
Other Current Financial Liabilities	424.99	427.68	426.40	1.27	-	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

April 1, 2015	Carrying Amount	Contractual cash flows				(INR in Crore)
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Non Current						
Borrowings	505.48	765.79	63.75	69.23	632.81	-
Trade Payables	1.42	1.42	-	1.42	-	-
Current						
Borrowings	2,628.21	2,777.24	2,001.21	776.03	-	-
Trade Payables	504.90	548.34	530.40	12.69	5.25	-
Other Current Financial Liabilities	542.87	561.66	560.99	0.67	-	-

(iii) Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rate and interest rates – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a) Currency Risk

Currency risk is not material, as the Group's primary business activities are within India and does not have significant exposure in foreign currency.

b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The management is responsible for the monitoring of the Group's interest rate position. Various variables are considered by the management in structuring the Group's borrowings to achieve a reasonable, competitive, cost of funding.

Exposure to interest rate risk

The interest rate profile of the Group's interest bearing financial instruments as reported to the management of the Company is as follows.

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Financial Liabilities			
Variable rate instruments			
Borrowings			
Loan Repayable on Demand	**714.99**	582.53	719.36
Term Loans	**474.75**	700.00	1,250.00
Other Loans	**500.00**	300.00	200.00
Fixed rate instruments			
Borrowings			
Deposits	**-**	-	5.48
Term Loans	**800.00**	500.00	200.00
Other Loans	**1,486.74**	1,034.93	758.84
Current maturities of long term debts	**-**	5.49	196.69
Put option liability	**-**	243.85	211.64
	3,976.48	3,366.80	3,542.01

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Financial Assets			
Fixed rate Instruments			
Fixed Deposits	**63.88**	71.00	68.70
Security Deposits	**244.25**	280.61	306.35
Loans and Advances to related parties	**536.96**	296.23	280.78
Loan to GIL ESOP Trust	**-**	4.04	5.10
Investment in Debentures	**312.35**	239.18	208.16
	1,157.44	891.06	869.09

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit/loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the Group by the amounts indicated in the table below. Given that the Group capitalises interest to the cost of inventory to the extent permissible, the amounts indicated below may have an impact on reported profits over the life cycle of projects to which such interest is capitalised. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date.The year end balances are not necessarily representative of the average debt outstanding during the period.

Particulars	Profit or Loss (INR in Crore)	
	100 bp increase	100 bp decrease
March 31, 2017		
Financial Liabilities		
Variable rate instruments		
Borrowings	(16.90)	16.90
Cash flow sensitivity (net)	(16.90)	16.90
March 31, 2016		
Financial Liabilities		
Variable rate instruments		
Borrowings	(15.83)	15.83
Cash flow sensitivity (net)	(15.83)	15.83

The Group does not have any additional impact on equity other than the impact on retained earnings.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 38 Capital Management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Board of Director's of Company seek to maintain a balance between the higher returns that might be possible with higher level of borrowing and advantages by a sound Capital position.

The Group monitors capital using a ratio of 'Net Debt to Equity' for this purpose, net debt is defined as total borrowings and Put Option Liability less Cash and Bank Balances and Other Current Investments.

The Group's net debt to equity ratios are as follows:

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Net Debt	**3,499.06**	2,893.60	2,912.95
Total Equity	**2,003.73**	1,764.82	1,733.93
Net Debt to Equity Ratio	**1.75**	1.64	1.68

Note 39 Employee Stock Option Plan

During the financial year ended March 31,2008, 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 INR 5/- each to eligible employees of Godrej Properties Limited and its Subsidiary Companies (the Participating Companies) with effect from December 28, 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**
	March 31, 2017	March 31, 2016	April 1, 2015	
Options Outstanding at the beginning of the year	**245,400**	357,400	515,400	INR 310 (plus interest till March 31, 2012)
Options granted	**-**	-	-	
Options exercised	**-**	-	-	
Less : Forfeited / Lapsed /Idle/ Available for Reissue	**245,400**	112,000	158,000	
Options Outstanding at the year end	**-**	245,400	357,400	INR 310(plus interest till March 31, 2012)

The exercise period of the GPL ESOP has expired on December 27, 2016 and consequently all the unexercised options were rendered lapsed. The GPL ESOP now stands terminated and the shares held by the Trust have been sold during the year.

Note 40 Employee Stock Grant Scheme

The Company instituted an Employee Stock Grant Scheme (GPL ESGS) approved by the Board of Directors, Shareholders and the Remuneration Committee.

a) Details of Stock Grants are as under:

Particulars	No. of Options			Weighted average Exercise Price (INR)	Weighted average Share Price (INR)
	March 31, 2017	March 31, 2016	April 1, 2015		
Options Outstanding at the beginning of the year	**254,597**	298,380	223,358	5.00	366.50
Options granted	**122,127**	163,507	224,790		
Less: Options exercised	**104,326**	156,816	123,758		
Less : Option lapsed	**57,861**	50,474	26,010		
Options Outstanding at the year end	**214,537**	254,597	298,380		

b) The weighted average exercise price of the options outstanding as on March 31, 2017 is INR 5 (Previous year 2016: INR 5 per share; Previous year 2015: INR 5 per share) and the weighted average remaining contractual life of the options outstanding as on March 31, 2017 is 0.89 years (Previous year 2016: 0.89 years; Previous Year 2015: 0.85 years).

c) The fair value of the employee share options has been measured using the Black-Scholes Option Pricing Model. The weighted average fair value of the options granted is INR 279.78 (Previous year 2016: INR 234.68).

Particulars	March 31, 2017	March 31, 2016	Description of the Inputs used
Dividend yield %	**-**	-	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	**29 % - 43%**	28% - 43%	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Risk free Interest rate %	**6.31 % - 8.57%**	7.38% - 8.57%	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Expected life of share options	**1 to 3 years**	1 to 3 years	
Weighted Average Market price on date of granting the options	**INR 286.40**	INR 243.39	

d) The expense arising from ESGS scheme during the year is INR 2.49 Crore (Previous Year 2016: INR 2.98 Crore)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 41 Leases

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

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Future minimum lease receipts under operating leases			
Not later than 1 year	**2.35**	2.19	2.45
Later than 1 year and not later than 5 years	**10.02**	9.58	6.24
Later than 5 years	**51.41**	53.03	47.68

b) The Group's significant leasing arrangements are in respect of operating leases for Commercial / Residential premises. Lease expenditure for operating leases is recognised 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:

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Future minimum lease payments under operating leases			
Not later than 1 year	**7.90**	12.13	4.20
Later than 1 year and not later than 5 years	**17.44**	24.55	4.10
Later than 5 years	**0.38**	1.07	1.07

Note 42 Contingent Liabilities and Commitments

a) Contingent Liabilities

INR (in Crore)

Matters	March 31, 2017	March 31, 2016	April 1, 2015
I) Claims not Acknowledged as debts:			
i) Claims 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	**196.46**	17.98	9.69
ii) Claims under the Labour Laws for disputed cases	**0.05**	0.05	0.20
iii) Claims under Stamp Acts	**20.02**	27.22	1.49
iv) Other Claims not acknowledged as debts	**0.76**	0.86	1.12
v) Claims under Income Tax Act, Appeal preferred to Deputy Commissioner / Commissioner of Income Tax (Appeals)	**25.36**	21.65	19.64
vi) Claims under MVAT, Appeal preferred to The Deputy Commissioner / Joint Commissioner of Sales Taxes ((Appeals) IV/V), Mumbai	**21.33**	0.62	0.62
vii) Claim under HVAT, Civil Writ Petition preferred in the High Court for The States of Punjab and Haryana at Chandigarh	**-**	-	1.78
viii) Appeal preferred to Customs, Excise and Service Tax Appellate tribunal at Bengaluru	**40.65**	39.04	35.99

Matters	March 31, 2017	March 31, 2016	April 1, 2015
ix) Appeal preferred to The Joint Commissioner of Sales Tax (Appeal -4) at Maharashtra under Entry of Goods Into Local Areas Act, 2002	**0.79**	0.79	-
II) Guarantees			
i) Guarantees given by Bank, counter guaranteed by the Company	**20.71**	44.34	33.87
ii) Guarantees given by the Company	**156.00**	-	-
III) Other Money for which Company is contingently liable			
i) Letter of credit opened by Bank on behalf of the Company	**-**	1.99	3.27

b) Commitments

INR (in Crore)

I) Particulars	March 31, 2017	March 31, 2016	April 1, 2015
i) Uncalled amount of partly paid shares of Tahir Properties Limited	**0.00**	0.00	0.00
ii) Capital Commitment	**17.22**	15.99	16.73

II) The Group enters into construction contracts for Civil, Elevator, External Development, MEP work etc. with its vendors. The total amount payable under such contracts will be based on actual measurements and negotiated rates, which are determinable as and when the work under the said contracts are completed.

III) The Group has entered into development agreements with owners of land for development of projects. Under the agreements the Company is required to pay certain payments/ deposits to the owners of the land and share in built up area/ revenue from such developments in exchange of undivided share in land as stipulated under the agreements.

Note 43 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 to Micro & Small Enterprises on account of principal amount together with interest.

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
The principal amount remaining unpaid to suppliers	**-**	-	-
The interest due thereon remaining unpaid to suppliers	**-**	-	-
The amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	**-**	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	**-**	-	-

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 44 Foreign Exchange Difference

The amount of exchange difference included in the Statement of Profit and Loss, is INR 0.21 Crore (Net Loss) (Previous Year INR 0.09 Crore (Net Loss)).

Note 45 Corporate Social Responsibility

The Group has spent INR 3.08 Crore during the financial year(Previous Year: INR 2.18 Crore) as per the provisions of Section 135 of the Companies Act, 2013 towards Corporate Social Responsibility (CSR) activities grouped under 'Other Expenses'.

a) Gross amount required to be spent by the Group during the year INR 3.08 Crore

b) Amount spent during the year on :

INR (in Crore)

Particulars	Amount Spent in Cash	Amount yet to be paid in Cash	Total Amount
Year ending March 31, 2017			
(i) Construction / Acquisition of any Asset	**-**	**-**	**-**
(ii) On purposes other than (i) above	**2.86**	**0.22**	**3.08**
Year ending March 31, 2016			
(i) Construction / Acquisition of any Asset	-	-	-
(ii) On purposes other than (i) above	2.05	0.13	2.18

Note 46 Related Party Disclosures

1. List of Related party disclosures as required by Ind AS - 24, "Related Party Disclosures", are given below:

i) Shareholders (Holding Company)

Godrej Industries Limited (GIL) holds 56.70% (Previous Year 2016: 56.73%) shares in the Company.

GIL is the subsidiary of Vora Soaps Limited, the Ultimate Holding Company w.e.f. March 30, 2017. (Godrej & Boyce Manufacturing Company Limited (G&B), was the Ultimate Holding Company upto March 29, 2017)

ii) Associate and Joint Ventures

1 Godrej Realty Private Limited (51%)
2 Godrej Landmark Redevelopers Private Limited (51%)
3 Godrej Redevelopers (Mumbai) Private Limited (51%)
4 Mosiac Landmarks LLP (1%)
5 Dream World Landmarks LLP (40%)
6 Oxford Realty LLP (35%)
7 Godrej SSPDL Green Acres LLP (37%)
8 Caroa Properties LLP (35%)
9 M S Ramaiah Ventures LLP (49.5%)
10 Oasis Landmarks LLP (38%)
11 Amitis Developers LLP (46%)
12 Godrej Construction Projects LLP (34%)
13 Godrej Housing Projects LLP (50%)
14 Godrej Greenview Housing Private Limited (20%) (w.e.f June 30, 2016)

15 Wonder Space Properties Private Limited (25.1%)
16 Wonder City Buildcon Private Limited (25.1%)
17 Godrej Home Construction Private Limited (25.1%)
18 Wonder Projects Development Private Limited (20%) (w.e.f Septemer 19, 2016)
19 Godrej Property Developers LLP (32%)
20 Godrej One Premises Management Private Limited (30%)
21 Godrej Real View Developers Private Limited (20%) (w.e.f March 29, 2017)
22 Pearlite Real Properties Private Limited (49%) (w.e.f March 30, 2017)
23 Bavdhan Realty @ Pune 21 LLP (45%)(w.e.f October 26, 2016)
24 Prakhhyat Dwellings LLP (42.50%) (w.e.f September 2, 2016)
25 AR Landcraft LLP (40%) (w.e.f June 7, 2016)

iii) Other Related Parties in Group

1 Godrej Investments Private Limited
2 Annamudi Real Estates LLP
3 Ensemble Holdings & Finance Limited
4 Godrej Agrovet Limited
5 Natures Basket Limited
6 Cream Line Dairy Products Limited

iv) Key Management Personnel & Others

1 Mr. A. B. Godrej
2 Mr. N.B. Godrej
3 Mr. Pirojsha Godrej
4 Mr. Mohit Malhotra
5 Mrs. Parmeshwar Adi Godrej (ceased to be Director from October 10, 2016)
6 Mr. Jamshyd N. Godrej
7 Mr. Amit Choudhury
8 Mr. K. B. Dadiseth
9 Mrs. Lalita Gupte
10 Mr. Pranay Vakil
11 Dr. Pritam Singh
12 Mr. S. Narayan
13 Mr. Amitava Mukherjee
14 Mrs. Tanya Dubash

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

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) above

INR (in Crore)

Nature of Transaction	Godrej & Boyce Manufacturing Company Limited (i)	Godrej Industries Limited (i)	Joint Ventures / Associate (ii)	Other Related Parties in Godrej Group (iii)	Total
Transactions during the Year					
Purchase of Fixed Assets					
Current Year	**0.29**	**-**	**-**	**-**	**0.29**
Previous Year	*4.64*	*0.07*	*-*	*-*	*4.71*
Expenses charged by other Companies / Entities					
Current Year	**25.03**	**10.05**	**5.97**	**6.59**	**47.64**
Previous Year	*51.23*	*11.16*	*1.96*	*5.69*	*70.03*
Dividend Paid					
Current Year	**-**	**-**	**-**	**-**	**-**
Previous Year	*1.88*	*22.49*	*-*	*1.51*	*25.88*
Issue of Equity Shares					
Current Year	**-**	**-**	**-**	**-**	**-**
Previous Year	*-*	*8.37*	*-*	*-*	*8.37*
Sale of Units					
Current Year	**1.19**	**10.18**	**-**	**117.70**	**129.07**
Previous Year	*1.02*	*2.52*	*-*	*5.54*	*9.09*
Income Received from other Companies / Entities					
Current Year	**-**	**-**	**0.75**	**-**	**0.75**
Previous Year	*-*	*-*	*-*	*-*	*-*
Development Management Fees Received					
Current Year	**1.38**	**-**	**25.78**	**45.00**	**72.16**
Previous Year	*35.34*	*-*	*4.39*	*-*	*39.73*
Expenses charged to other Companies / Entities					
Current Year	**0.10**	**0.00**	**73.33**	**0.01**	**73.45**
Previous Year	*0.02*	*0.85*	*45.02*	*-*	*45.89*
Interest received on Debenture					
Current Year	**-**	**-**	**41.44**	**-**	**41.44**
Previous Year	*-*	*-*	*39.53*	*-*	*39.53*
Interest Income					
Current Year	**-**	**-**	**53.28**	**-**	**53.28**
Previous Year	*-*	*-*	*33.22*	*-*	*33.22*
Share of Profit/ (Loss) in Joint Venture & Associates					
Current Year	**-**	**-**	**24.71**	**-**	**24.71**
Previous Year	*-*	*1.11*	*16.34*	*0.10*	*17.54*

Nature of Transaction	Godrej & Boyce Manufacturing Company Limited (i)	Godrej Industries Limited (i)	Joint Ventures / Associate (ii)	Other Related Parties in Godrej Group (iii)	Total
Amount received on transfer of Employee (Net)					
Current Year	-	**0.56**	-	-	**0.56**
Previous Year	-	*0.17*	-	*0.00*	*0.17*
Project taken over/ (transferred)					
Current Year	-	-	-	-	-
Previous Year	-	-	*(0.14)*	-	*(0.14)*
Commitments / Bank Guarantee / Corporate Guarantee/ Letter Credit issued					
Current Year	-	-	**66.05**	-	**66.05**
Previous Year	-	-	*0.25*	-	*0.25*
Investment made in Equity/ Prefrence Share #					
Current Year	-	-	**4.37**	-	**4.37**
Previous Year	-	-	*3.41*	-	*3.41*
Investments made in LLP					
Current Year	-	-	**0.11**	-	**0.11**
Previous Year	-	-	*0.05*	*147.45*	*147.50*
Investment made in Debenture #					
Current Year	-	-	**94.82**	-	**94.82**
Previous Year	-	-	*64.65*	-	*64.65*
Sale of Investments/ Repayment of Partners Capital / Withdrawal of Share of Profit					
Current Year	-	-	-	-	-
Previous Year	-	*147.45*	-	-	*147.45*
Redemption/ Sale of Debenture					
Current Year	-	-	**28.51**	-	**28.51**
Previous Year	-	-	*35.72*	-	*35.72*
Loans Given (Taken) #					
Current Year	-	-	**502.20**	-	**502.20**
Previous Year	-	-	*231.91*	-	*231.91*
Loans Repaid					
Current Year	-	-	**360.58**	-	**360.58**
Previous Year	-	-	*225.73*	-	*225.73*
Deposit given					
Current Year	-	**0.13**	**0.03**	**1.51**	**1.67**
Previous Year	-	-	-	*1.66*	*1.66*
Deposit Repaid					
Current Year	-	**0.32**	-	-	**0.32**
Previous Year	-	*0.23*	-	-	*0.23*

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Nature of Transaction	Godrej & Boyce Manufacturing Company Limited (i)	Godrej Industries Limited (i)	Joint Ventures / Associate (ii)	Other Related Parties in Godrej Group (iii)	Total
Amount received against Sale of Unit					
Current Year	-	**2.35**	-	**108.42**	**110.77**
Previous Year	*0.06*	*2.90*	-	*1.74*	*4.70*
Advance received against Share of Profit					
Current Year	-	-	**20.78**	-	**20.78**
Previous Year	-	-	*5.65*	-	*5.65*
Balance Outstanding as on at year end					
Amount Receivables					
Current Year	-	-	**616.50**	-	**616.50**
Previous Year	-	-	*370.23*	-	*370.23*
FY 2014-15	-	-	*304.51*	-	*304.51*
Amount Payables					
Current Year	**116.50**	**0.97**	-	**0.30**	**117.77**
Previous Year	*265.15*	*3.67*	*0.01*	*5.33*	*274.16*
FY 2014-15	*380.88*	*14.83*	-	*0.01*	*395.72*
Deposit Receivables					
Current Year	-	**0.41**	**0.03**	**3.17**	**3.61**
Previous Year	-	*0.60*	-	*1.66*	*2.26*
FY 2014-15	-	*0.84*	-	-	*0.84*
Debenture Outstanding					
Current Year	-	-	**312.33**	-	**312.33**
Previous Year	-	-	*239.18*	-	*239.18*
FY 2014-15	-	-	*208.16*	-	*208.16*
Debenture Interest Outstanding					
Current Year	-	-	**87.49**	-	**87.49**
Previous Year	-	-	*56.14*	-	*56.14*
FY 2014-15	-	-	*26.50*	-	*26.50*
Commitments / BG / LC / Corporate Guarantee Outstanding					
Current Year	-	-	**160.65**	-	**160.65**
Previous Year	-	-	*10.97*	-	*10.97*
FY 2014-15	-	-	*10.72*	-	*10.72*

Includes Loan amount converted into Debenture amounting to INR 13.44 Crore and Equity amounting to INR 0.70 Crore.

(ii) Details relating to parties referred to in items 1(iv)

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016
Short term employee benefits	**8.89**	8.48
Post retirement benefits	**0.18**	1.08
Share based payment transactions	**0.57**	0.10
Total Compensation paid to Key Management Personnel	**9.64**	9.66

Particulars	March 31, 2017	March 31, 2016
Dividend Paid	-	1.10
Interest paid on Deposit to relatives of KMP	-	0.00
Repayment of Deposit	-	0.03
Deposit outstanding of relative of KMP	-	-
Revenue recognised for sale of Flats/Units to KMP and their relative	**13.35**	1.60
Amount received from sale of Flats/ Units to KMP and their relative	**6.77**	2.59
Trade receivable/ (Advance) on account of sale of Flats/ Units to KMP and their relative	**2.58**	(1.03)
Expenditure on Issue of Equity Shares under ESGS to KMP	**0.01**	0.04

Note 47 Financial Information of subsidiaries that have material non-controlling interests

a) Proportion of equity interest held by non-controlling interests:

Name	Principal Place of Business	March 31, 2016	April 1, 2015
Godrej Vikhroli Properties LLP	India	0%	40%

INR (in Crore)

Particulars	April 1, 2015
Accumulated balances of material non-controlling interest:	
Godrej Vikhroli Properties LLP	133.71

b) Summarised Financial Information of the subsidiary:

INR (in Crore)

Particulars	Amount
Non Current Assets	0.41
Current Assets	746.02
	746.43
Non Current Liabilites	-
Current Liabilities	389.80
	389.80
Net Assets	**356.63**

Note 48 Segment reporting

A. General Information

Factors used to identify the entity's reportable segments, including the basis of organisation

For management purposes, the Group has only one reportable segments namely, Development of real estate property. The Managing Director of the Company acts as the Chief Operating Decision Maker ("CODM").The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators.

B. Information about Products and Services

The Group has revenue from external customer to the extent of INR 1,582.93 Crore (Previous Year 2016: INR 2,122.61 Crore)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

C. Information about Geographical Areas

The geographic information analyses the Group's revenue and Non Current Assets by the Group's country of domicile and other countries. In presenting the geographical information,revenue in the disclosure below is based on the geographic location of the product and service and assets in the disclosure below are based on the geographic location of the respective Non Current Assets.

The revenue from India is INR 1,573.15 Crore and from outside India INR 9.78 Crore (Previous Year 2016: INR 2,122.61 Crore) and the Non Current Assets other than financial instruments and deferred tax assets from India are INR 335.09 Crore (Previous Year 2016: INR 262.34 Crore; Previous Year 2015: INR 246.71 Crore) and from outside India are INR Nil (Previous Year 2016; 2015 Nil)

D. Information about major customers

There were no reportable major customers for the year ended March 31,2017 (Previous Year 2016: INR 1,340.86 Crore).

Note 49 First Time Adoption of Ind AS

These are the Group's first consolidated financial statements prepared in accordance with Ind AS.

The Group's opening Ind AS balance sheet was prepared as at April 1, 2015, the Group's date of transition to Ind AS. In preparing the opening balance sheet, the Group has applied the mandatory exceptions and certain optional exemptions from full retrospective application of Ind AS in accordance with the guidance in Ind AS 101 'First Time Adoption of Indian Accounting Standards'.

This note explains the principal adjustments made by the Group in restating its Indian GAAP financial statements to Ind AS, in the opening balance sheet as at April 1, 2015 and in the financial statements as at and for the year ended March 31, 2016.

Reconciliation of Net Worth reported under IGAAP to Ind AS INR (in Crore)

Particualars	Note	March 31, 2016	April 1, 2015
Net worth as per Indian GAAP		**2,168.22**	**1,846.87**
Adjustments on account of application of Ind AS			
Obligation to acquire Non controlling interest in Subsidiary (Put Option)	(b)	(228.13)	(195.92)
Realignment of project cost	(c)	(250.73)	(175.27)
Reversal of proposed dividend and related dividend distribution taxes	(d)	-	48.02
Impact of fair valuation of mutual funds and effective interest cost on convertible debentures	(f)	1.78	12.30
Consolidation of ESOP Trust	(e)	(40.06)	(40.18)
Realignment of Non Controlling Interest	(b)	45.28	181.87
Deferred Tax on Ind AS adjustments	(g)	68.46	56.25
Net worth as per Ind AS		**1,764.82**	**1,733.93**

Reconciliation of Net Profit reported under IGAAP to Ind AS INR (in Crore)

Particulars	Note	For the Year Ended March 31,2016
Profit after Tax as per Indian GAAP		**231.10**
Adjustments on Account of Application of Ind AS		
Realignment of project cost	(c)	(62.43)
Realignment of Non Controlling interest	(b)	(2.88)
Impact of fair valuation of mutual funds and effective interest cost on convertible debentures	(f)	(10.51)
Consolidation of ESOP Trust	(e)	(0.08)
Deferred tax on Ind AS adjustments	(g)	2.73
Total Comprehensive Income as per Ind AS		**157.93**

Reconciliation of Statement of Cash Flow for the period ended March 31, 2016 INR (in Crore)

Particulars	Note	Amount as per IGAAP	Effects of transition to Ind AS	Amount as per Ind AS
Net Cash Flow from Operating activities	(a)	191.99	297.80	489.79
Net Cash Flow from Investing activities	(a)	68.80	117.29	186.09
Net Cash Flow from Financing activities	(a, h)	(310.91)	(243.46)	(554.36)
Net Increase in Cash & Cash Equivalent		**(50.12)**	**171.64**	**121.52**
Cash & Cash Equivalent as on April 1, 2015	(a, h)	675.73	(765.11)	(89.39)
Acquisition on Amalgmation		4.55	-	4.55
Cash & Cash Equivalent as on March 31, 2016	**(a, h)**	**630.16**	**(593.48)**	**36.68**

Note

(a) Consolidation

Under Ind AS, classification of subsidiary for consolidation is based on control and not just shareholding which has resulted in certain subsidiaries being classified as joint ventures. Further under Indian GAAP, joint ventures were consolidated with reference to the proportionate consolidation method.

Based on the principles of Ind AS, these joint ventures have been consolidated with reference to the equity method of accounting whereby only GPL's share of profit & loss in such entities will be directly credited to Statement of Profit & Loss account instead of line by line / proportionate consolidation. Further due to equity method of accounting, interest has been grossed up on the JV projects. Interest income has been classified under other income and corresponding interest expenses have been included as part of finance cost.

(b) Obligation to acquire Non Controlling interest in a subsidiary

The Company has granted put option to non controlling interest in its subsidiary, which gives the investor a right to sell their interests at guaranteed return to the Company. On transition to Ind AS, such put option has been classified as a financial liability payable to the investor and is re-measured at each reporting date and difference is adjusted in equity.

(c) Inventories

The Group has undertaken a detailed exercise to determine the manner of expense allocation to inventory in context of the requirements of Ind AS and accordingly have realigned allocation of expenses to project inventory. Further, acquisition of stake in a subsidiary has been classified as an asset acquisition and consequently the Goodwill as per Indian GAAP (representing cost of land) has been reclassified to project inventory.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(d) Proposed Dividend

Proposed dividend recognised under Indian GAAP has been derecognised under Ind AS. Under Ind AS dividend on equity shares is recognised on receipt of approval from the relevant Authority.

(e) Employee Benefits

Under Ind AS, the ESOP Trust is consolidated in the Company's Separate Financial Statements as the ESOP Trust was established by the Company for the administration of Employee Stock Option Plan of the Company. The Trust is merely acting as a Branch of the Company.

(f) Financial instrument

Under Indian GAAP, investments in mutual funds were measured at lower of cost or market value while under Ind AS, such investments are required to be measured at fair value with the resultant gain or loss being recognised in profit or loss. Under Ind AS, investments in debentures and other debt instruments are required to be measured at amortised cost with interest income determined with reference to the effective interest rate.

(g) Deferred Taxes

Under Ind AS, deferred tax on account of fair value adjustment in relation to past schemes of amalgamation and on other Ind AS differences has been appropriately recognised.

(h) Bank Overdrafts

The Group has availed bank overdrafts repayable on demand. Under Ind AS, bank overdrafts repayable on demand which form an integral part of the cash management process are included in cash and cash equivalents for the purpose of presentation of cash flows. Under Indian GAAP, bank overdrafts used to be considered as part of borrowings and movement in bank overdrafts were shown as part of financing activities.

Note 50 Specified Bank Notes Disclosure

In accordance with the Notification No.- G.S.R 308(E) issued by the Ministry of Corporate Affairs dated March 30, 2017, the details of Specified Bank Notes(SBN) held and transacted during the period November 8, 2016 to December 30, 2016 is provided in the table below:

Amount (in INR)

Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on November 8, 2016	422,500	205,975	628,475
(+) Permitted Receipts	-	1,470,826	1,470,826
(-) Permitted Payments	-	1,286,271	1,286,271
(-) Amount deposited in Banks	422,500	-	422,500
Closing cash in hand as on December 30, 2016	-	390,530	390,530

Note 51 Information on Subsidiaries, Joint Ventures and Associate

a) Information on Subsidiaries

Sr. No.	Name of the Entity	Country of Incorporation	Percentage of Holding		
			March 31, 2017	March 31, 2016	April 1, 2015
			%	%	%
(i)	**Companies**				
1	Godrej Real Estate Private Limited	India	**100%**	100%	100%
2	Godrej Buildcon Private Limited	India	**100%**	100%	100%
3	Godrej Projects Development Private Limited	India	**100%**	100%	100%
4	Godrej Garden City Properties Private Limited	India	**100%**	100%	100%
5	Godrej Green Homes Limited	India	**100%**	100%	100%
6	Godrej Hillside Properties Private Limited	India	**100%**	100%	100%
7	Godrej Home Developers Private Limited	India	**100%**	100%	100%
8	Godrej Investment Advisers Private Limited	India	**100%**	100%	N.A.
9	Godrej Prakriti Facilities Private Limited	India	**100%**	100%	N.A.
10	Prakritiplaza Facilities Management Private Limited (Incorporated on July 28, 2016)	India	**100%**	N.A.	N.A.
11	Godrej Highrises Properties Private Limited	India	**100%**	100%	N.A.
12	Godrej Genesis Facilities Management Private Limited	India	**100%**	100%	N.A.
13	Godrej Fund Management Pte. Limited (100% Subsidiary of Godrej Investment Advisers Private Limited)	Singapore	**100%**	100%	N.A.
14	Godrej Vikhroli Properties India Limited (Converted to Company on January 25, 2017)	India	**100%**	N.A	N.A.
15	Citystar Infraprojects Limited (w.e.f on January 12, 2017)	India	**100%**	N.A	N.A.
16	Godrej Skyline Developers Private Limited (Incorporated on November 22, 2016)	India	**100%**	N.A	N.A.
17	Godrej Residency Private Limited (Incorporated on March 16, 2017)	India	**100%**	N.A	N.A.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Sr. No.	Name of the Entity	Country of Incorporation	Percentage of Holding		
			March 31, 2017	March 31, 2016	April 1, 2015
			%	%	%
(ii)	**LLPs**				
1	Godrej Vikhroli Properties LLP (LLP upto January 24, 2017)	India	**-**	100%	60%
2	Godrej Land Developers LLP	India	**100%**	100%	N.A.
3	Godrej Developers & Properties LLP	India	**100%**	100%	N.A.
4	Godrej Highrises Realty LLP	India	**100%**	100%	N.A.
5	Godrej Project Developers & Properties LLP	India	**100%**	100%	N.A.
6	Godrej Highview LLP (Incorporated on September 29, 2016)	India	**100%**	N.A.	N.A.
7	Godrej Skyview LLP (Incorporated on October 19, 2016)	India	**100%**	N.A.	N.A.
8	Godrej Green Properties LLP (Incorporated on October 27, 2016)	India	**100%**	N.A.	N.A.
9	Godrej Projects (Pune) LLP (Incorporated on February 05, 2017)	India	**100%**	N.A.	N.A.
10	Godrej Projects (Soma) LLP (Incorporated on March 06, 2017)	India	**100%**	N.A.	N.A.
11	Godrej Projects (Bluejay) LLP (Incorporated on March 02, 2017)	India	**100%**	N.A.	N.A.
12	Godrej Century LLP (Incorporated on March 14, 2017)	India	**100%**	N.A.	N.A.
b)	**Information on Joint Ventures**				
(i)	**Companies**				
1	Godrej Realty Private Limited	India	**51%**	51%	51%
2	Godrej Landmark Redevelopers Private Limited	India	**51%**	51%	51%
3	Godrej Redevelopers (Mumbai) Private Limited	India	**51%**	51%	51%
4	Wonder Space Properties Private Limited	India	**25.10%**	25.10%	25.10%
5	Wonder City Buildcon Private Limited	India	**25.10%**	25.10%	25.10%
6	Godrej Home Constructions Private Limited	India	**25.10%**	25.10%	N.A
7	Godrej Greenview Housing Private Limited (ceased to be Subsidiary from June 30, 2016)	India	**20%**	100%	N.A

8	Wonder Projects Development Private Limited (ceased to be Subsidiary from September 19, 2016)	India	**20%**	100%	N.A
9	Godrej Real View Developers Private Limited (Incorporated on September 01, 2016)	India	**20%**	N.A	N.A
10	Pearlite Real Properties Private Limited (Incorporated on September 02, 2016)	India	**49%**	N.A	N.A
(ii)	**LLPs**				
1	Godrej Property Developers LLP	India	**32%**	32%	32%
2	Mosiac Landmarks LLP	India	**1%**	1%	51%
3	Dream World Landmarks LLP	India	**40%**	40%	40%
4	Oxford Realty LLP	India	**35%**	26.67%	26.67%
5	Godrej SSPDL Green Acres LLP	India	**37%**	44%	44%
6	Oasis Landmarks LLP	India	**38%**	38%	38%
7	M S Ramaiah Ventures LLP	India	**49.50%**	49.50%	49.50%
8	Caroa Properties LLP	India	**35%**	35%	35%
9	Godrej Construction Projects LLP	India	**34%**	40%	100%
10	Godrej Housing Projects LLP	India	**50%**	40%	40%
11	Amitis Developers LLP	India	**46%**	46%	46%
12	A R Landcraft LLP (w.e.f June 7, 2016)	India	**40%**	N.A	N.A
13	Prakhhyat Dwellings LLP (w.e.f September 2, 2016)	India	**42.50%**	N.A	N.A
14	Bavdhan Realty @ Pune 21 LLP (Incorporated on October 26, 2016)	India	**45%**	N.A	N.A

Percantage of Holding in LLPs in the above table denotes the Share of Profit in the LLP.

c) Information on Associate

(i)	**Companies**				
1	Godrej One Premises Management Private Limited	India	**30%**	30%	N.A

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 52 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Joint Ventures / Associate.

Sr. No.	Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
		As % of consolidated net assets	Amount INR (in Crore)	As % of consolidated profit or loss	Amount INR (in Crore)	As % of consolidated OCI	Amount INR (in Crore)	As % of TCI	Amount INR (in Crore)
	Parent:								
	Godrej Properties Limited	97.04%	1,944.43	60.08%	124.25	45.48%	(0.30)	60.13%	123.95
	Subsidiaries (Indian):								
1	Godrej Real Estate Private Limited	(0.66%)	(13.18)	(0.65%)	(1.35)	-	-	(0.66%)	(1.35)
2	Godrej Buildcon Private Limited	6.06%	121.44	12.20%	25.23	-	-	12.24%	25.23
3	Godrej Projects Development Private Limited	6.53%	130.89	(12.86%)	(26.60)	0.99%	(0.01)	(12.90%)	(26.60)
4	Godrej Garden City Properties Private Limited	0.22%	4.33	0.78%	1.61	-	-	0.78%	1.61
5	Godrej Green Homes Limited	0.02%	0.48	0.04%	0.08	-	-	0.04%	0.08
6	Godrej Hillside Properties Private Limited	0.02%	0.50	0.05%	0.11	-	-	0.05%	0.11
7	Godrej Home Developers Private Limited	0.02%	0.50	0.05%	0.11	-	-	0.05%	0.11
8	Godrej Investment Advisers Private Limited	0.08%	1.63	0.00%	0.01	-	-	0.00%	0.01
9	Godrej Prakriti Facilities Private Limited	0.01%	0.23	0.08%	0.17	-	-	0.08%	0.17
10	Prakritiplaza Facilities Management Private Limited	0.00%	0.01	0.00%	-	-	-	0.00%	-
11	Godrej Highrises Properties Private Limited	0.00%	0.09	0.04%	0.09	-	-	0.04%	0.09

INR 0.00 represents amount less than INR 50,000

Sr. No.	Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
		As % of consolidated net assets	Amount INR (in Crore)	As % of consolidated profit or loss	Amount INR (in Crore)	As % of consolidated OCI	Amount INR (in Crore)	As % of TCI	Amount INR (in Crore)
12	Godrej Genesis Facilities Management Private Limited	0.01%	0.13	0.06%	0.12	-	-	0.06%	0.12
13	Godrej Vikhroli Properties India Limited	20.36%	407.90	82.82%	171.27	-	-	83.09%	171.27
14	Citystar Infraprojects Limited	0.00%	0.00	(0.01%)	(0.01)	-	-	(0.01%)	(0.01)
15	Godrej Skyline Developers Private Limited	0.00%	(0.00)	0.00%	(0.01)	-	-	0.00%	(0.01)
16	Godrej Developers & Properties LLP	0.00%	(0.01)	0.00%	(0.01)	-	-	0.00%	(0.01)
17	Godrej Land Developers LLP	0.00%	(0.01)	0.00%	(0.01)	-	-	0.00%	(0.01)
18	Godrej Project Developers & Properties LLP	0.00%	(0.01)	0.00%	(0.01)	-	-	0.00%	(0.01)
19	Godrej Highrises Realty LLP	0.00%	(0.00)	0.00%	(0.00)	-	-	0.00%	(0.00)
	Subsidiaries (Foreign)								
1	Godrej Fund Management Pte. Limited	0.37%	7.49	3.27%	6.76	53.53%	(0.36)	3.11%	6.41
	Associate (Indian) (Investment as per Equity Method)								
1	Godrej One Premises Management Private Limited	-	-	0.00%	-	-	-	0.00%	-

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Sr. No.	Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
		As % of consolidated net assets	Amount INR (in Crore)	As % of consolidated profit or loss	Amount INR (in Crore)	As % of consolidated OCI	Amount INR (in Crore)	As % of TCI	Amount INR (in Crore)
	Joint Venture (Indian) (Investment as per the Equity Method)								
1	Godrej Realty Private Limited	-	-	(0.24%)	(0.50)	-	-	(0.24%)	(0.50)
2	Godrej Landmark Redevelopers Private Limited	-	-	6.32%	13.06	-	-	6.34%	13.06
3	Godrej Redevelopers (Mumbai) Private Limited	-	-	4.81%	9.94	-	-	4.82%	9.94
4	Wonder Space Properties Private Limited	-	-	(0.02%)	(0.03)	-	-	(0.02%)	(0.03)
5	Wonder City Buildcon Private Limited	-	-	0.46%	0.95	-	-	0.46%	0.95
6	Godrej Home Constructions Private Limited	-	-	(0.61%)	(1.25)	-	-	(0.61%)	(1.25)
7	Godrej Greenview Housing Private Limited	-	-	(0.60%)	(1.24)	-	-	(0.60%)	(1.24)
8	Wonder Projects Development Private Limited	-	-	(0.01%)	(0.01)	-	-	(0.01%)	(0.01)
9	Godrej Real View Developers Private Limited	-	-	0.00%	-	-	-	0.00%	-
10	Pearlite Real Properties Private Limited	-	-	0.00%	(0.01)	-	-	0.00%	(0.01)
11	Godrej Property Developers LLP	-	-	0.00%	(0.01)	-	-	0.00%	(0.01)
12	Mosiac Landmarks LLP	-	-	0.00%	0.00	-	-	0.00%	0.00
13	Dream World Landmarks LLP	-	-	2.18%	4.51	-	-	2.19%	4.51
14	Oxford Realty LLP	-	-	0.14%	0.29	-	-	0.14%	0.29

INR 0.00 represents amount less than INR 50,000

Sr. No.	Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
		As % of consolidated net assets	Amount INR (in Crore)	As % of consolidated profit or loss	Amount INR (in Crore)	As % of consolidated OCI	Amount INR (in Crore)	As % of TCI	Amount INR (in Crore)
15	Godrej SSPDL Green Acres LLP	-	-	(0.01%)	(0.03)	-	-	(0.01%)	(0.03)
16	Oasis Landmarks LLP	-	-	4.81%	9.95	-	-	4.83%	9.95
17	M S Ramaiah Ventures LLP	-	-	(0.01%)	(0.02)	-	-	(0.01%)	(0.02)
18	Caroa Properties LLP	-	-	(0.04%)	(0.09)	-	-	(0.04%)	(0.09)
19	Godrej Construction Projects LLP	-	-	(0.69%)	(1.43)	-	-	(0.69%)	(1.43)
20	Godrej Housing Projects LLP	-	-	(0.04%)	(0.08)	-	-	(0.04%)	(0.08)
21	Amitis Developers LLP	-	-	(0.01%)	(0.03)	-	-	(0.02%)	(0.03)
22	A R Landcraft LLP	-	-	(1.96%)	(4.06)	-	-	(1.97%)	(4.06)
23	Prakhhyat Dwellings LLP	-	-	0.00%	-	-	-	0.00%	-
24	Bavdhan Realty @ Pune 21 LLP	-	-	0.00%	(0.01)	-	-	0.00%	(0.01)
	Inter-company Elimination & Consolidation Adjustments	(30.10%)	(603.10)	(60.40%)	(124.91)	-	-	(60.60%)	(124.91)
Total		100.00%	2,003.73	100.00%	206.80	100.00%	(0.67)	100.00%	206.12

INR 0.00 represents amount less than INR 50,000

Annexure A: Statement pursuant to first proviso to Sub-Section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of Companies (Accounts) Rules, 2014, in the prescribed form AOC - I relating to Subsidiary Companies, Joint Ventures and Associate.

Part "A" : Subsidiaries

INR (in Crore)

Sr. No.	Name of Subsidiary Company/Limited Liability Partnership	Reporting Currency	Accounting Period	Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover (Refer Note (c) below)	Profit before taxation	Provision for taxation	Profit/ (Loss) after taxation	% of Holding*	Country
1	Godrej Real Estate Private Limited	INR	2016-17	0.45	(13.63)	188.78	201.96	0.37	0.10	(1.67)	(0.32)	(1.35)	100%	India
2	Godrej Buildcon Private Limited	INR	2016-17	0.05	121.39	1,292.85	1,171.41	-	353.97	39.23	13.99	25.23	100%	India
3	Godrej Projects Development Private Limited	INR	2016-17	0.28	130.61	1,163.34	1,032.45	169.58	252.24	(38.14)	(11.54)	(26.60)	100%	India
4	Godrej Garden City Properties Private Limited	INR	2016-17	0.05	4.28	44.04	39.71	34.46	17.42	2.40	0.79	1.61	100%	India
5	Godrej Green Homes Limited	INR	2016-17	0.45	0.03	0.51	0.03	0.48	0.10	0.08	0.00	0.08	100%	India
6	Godrej Hillside Properties Private Limited	INR	2016-17	0.41	0.09	0.51	0.01	0.47	0.12	0.11	0.00	0.11	100%	India
7	Godrej Home Developers Private Limited	INR	2016-17	0.41	0.09	0.51	0.01	0.47	0.12	0.11	0.00	0.11	100%	India
8	Godrej Fund Management Pte. Limited (Refer Note (b) below)	US $	2016-17	1.14	6.35	9.39	1.89	-	9.78	7.88	1.11	6.76	100%	Singapore
9	Godrej Prakriti Facilities Private Limited	INR	2016-17	0.01	0.22	5.40	5.17	-	3.98	0.24	0.07	0.17	100%	India
10	Prakritiplaza Facilities Management Private Limited	INR	28.07.2016 TO 31.03.2017	0.01	-	0.02	0.01	-	0.01	-	-	-	100%	India
11	Godrej Highrises Properties Private Limited	INR	2016-17	0.01	0.08	0.10	0.01	0.04	0.10	0.09	-	0.09	100%	India
12	Godrej Investment Advisers Private Limited	INR	2016-17	1.70	(0.07)	1.65	0.02	1.64	0.03	0.02	0.01	0.01	100%	India
13	Godrej Genesis Facilities Management Private Limited (Refer Note (a) below)	INR	2016-17	0.01	0.12	1.11	0.98	-	0.71	0.16	0.05	0.12	100%	India
14	Godrej Vikhroli Properties India Limited (Converted from LLP on January 25, 2016)	INR	2016-17	368.30	39.60	903.96	496.06	-	639.07	251.71	80.45	171.27	100%	India
15	Citystar Infraprojects Limited	INR	2016-17	0.05	(0.05)	0.35	0.35	-	-	(0.01)	-	(0.01)	100%	India
16	Godrej Skyline Developers Private Limited (Refer Note (a) below)	INR	22.11.2016 TO 31.03.2017	0.00	(0.01)	0.00	0.01	-	-	(0.01)	-	(0.01)	100%	India

INR (in Crore)

Sr. No.	Name of Subsidiary Company/Limited Liability Partnership	Reporting Currency	Accounting Period	Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover (Refer Note (c) below)	Profit before taxation	Provision for taxation	Profit/ (Loss) after taxation	% of Holding*	Country
17	Godrej Developers & Properties LLP (Refer Note (a) below)	INR	2016-17	0.00	(0.01)	0.00	0.01	-	-	(0.01)	-	(0.01)	100%	India
18	Godrej Land Developers LLP (Refer Note (a) below)	INR	2016-17	0.00	(0.02)	0.00	0.01	-	-	(0.01)	-	(0.01)	100%	India
19	Godrej Project Developers & Properties LLP	INR	2016-17	0.00	(0.02)	0.00	0.01	-	-	(0.01)	-	(0.01)	100%	India
20	Godrej Highrises Realty LLP (Refer Note (a) below)	INR	2016-17	0.00	(0.00)	2.93	2.93	-	-	(0.00)	0.00	(0.00)	100%	India

*Percentage holding in LLPs denotes the Share of Profit in the LLPs

(a) Subsidiary of Godrej Projects Development Private Limited

(b) Subsidiary of Godrej Investment Advisory Private Limited. The reporting currency of the Company is US $. Capital Reserves & Surplus, Total Assets, Total Liabilities and Investments are translated at year end exchange rate: US $: INR 64.83. The turnover, profit before tax, provision for tax and Profit / (Loss) after taxation are translated at annual average rate of US $: INR 67.83.

(c) Turnover Includes Revenue from Operations and Other Income

(d) Total Liabilities exludes Capital and Reserves & Surplus

(e) All the above information is given as per Ind AS.

Part "B" : Joint Ventures

Sr. No.	Name of Joint Venture Company/ Limited Liability Partnership	Latest audited Balance Sheet Date	Shares of Joint Ventures held by the Company on the Year End			Description of how there is significant influence	Reason why joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit/Loss for the Year	
			No of Share	Amount of Investment in Joint Venture	Extent of Holding %				Considered in Consolidation	Not Considered in Consolidation
1	Godrej Realty Private Limited	31.03.2017	884,850	5.52	51%	through % of holding	NA	0.79	(0.50)	-
2	Godrej Landmark Redevelopers Private Limited	31.03.2017	25,500	0.03	51%	through % of holding	NA	53.52	13.06	-
3	Godrej Redevelopers (Mumbai) Private Limited	31.03.2017	28,567	4.44	51%	through % of holding	NA	12.47	9.94	-
4	Wonder Space Properties Private Limited	31.03.2017	111,054	1.72	25.10%	through % of holding	NA	1.63	(0.03)	-
5	Wonder City Buildcon Private Limited	31.03.2017	810,420	1.61	25.10%	through % of holding	NA	0.54	0.95	-
6	Godrej Home Constructions Private Limited	31.03.2017	1,071,770	2.18	25.10%	through % of holding	NA	0.93	(1.25)	-
7	Godrej Greenview Housing Private Limited	31.03.2017	1,192,000	1.19	20%	through % of holding	NA	(0.05)	(1.24)	-
8	Wonder Projects Development Private Limited	31.03.2017	700,100	0.70	20%	through % of holding	NA	0.68	(0.01)	-
9	Godrej Real View Developers Private Limited	"01.09.2016 to 31.03.2017"	176,000	0.18	20%	through % of holding	NA	0.18	-	-
10	Pearlite Real Properties Private Limited	02.09.2016 to 31.03.2017	3,552,500	3.55	49%	through % of holding	NA	3.54	(0.01)	-
11	Godrej Property Developers LLP	31.03.2017	NA	-	32%	through % of holding and Voting rights	NA	(0.01)	(0.01)	-
12	Mosiac Landmarks LLP	31.03.2017	NA	0.11	1%	through % of holding and Voting rights	NA	0.21	0.00	-
13	Dream World Landmarks LLP	31.03.2017	NA	0.04	40%	through % of holding and Voting rights	NA	2.28	4.51	-

Sr. No.	Name of Joint Venture Company/ Limited Liability Partnership	Latest audited Balance Sheet Date	Shares of Joint Ventures held by the Company on the Year End			Description of how there is significant influence	Reason why joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit/Loss for the Year	
			No of Share	Amount of Investment in Joint Venture	Extent of Holding %				Considered in Consolidation	Not Considered in Consolidation
14	Oxford Realty LLP	31.03.2017	NA	0.00	35%	through % of holding and Voting rights	NA	(2.42)	0.29	-
15	Godrej SSPDL Green Acres LLP	31.03.2017	NA	0.05	37%	through % of holding and Voting rights	NA	(0.76)	(0.03)	-
16	Oasis Landmarks LLP	31.03.2017	NA	0.00	38%	through % of holding and Voting rights	NA	0.00	9.95	-
17	M S Ramaiah Ventures LLP	31.03.2017	NA	1.01	49.50%	through % of holding and Voting rights	NA	0.96	(0.02)	-
18	Caroa Properties LLP	31.03.2017	NA	0.04	35%	through % of holding and Voting rights	NA	(2.51)	(0.09)	-
19	Godrej Construction Projects LLP	31.03.2017	NA	0.00	34%	through % of holding and Voting rights	NA	(2.27)	(1.43)	-
20	Godrej Housing Projects LLP	31.03.2017	NA	0.01	50%	through % of holding and Voting rights	NA	(0.07)	(0.08)	-
21	Amitis Developers LLP	31.03.2017	NA	0.05	46%	through % of holding and Voting rights	NA	0.01	(0.03)	-
22	A R Landcraft LLP	31.03.2017	NA	0.10	40%	through % of holding and Voting rights	NA	15.92	(4.06)	-
23	Prakhyat Dwellings LLP	31.03.2017	NA	0.00	42.50%	through % of holding and Voting rights	NA	0.18	-	-
24	Bavdhan Realty @ Pune 21 LLP	26.10.2016 to 31.03.2017	NA	0.00	45%	through % of holding and Voting rights	NA	0.00	(0.00)	-

Part "C" : Associate

Sr. No.	Name of the Associate Company	Latest audited Balance Sheet date	Share of Associate held by the Company on the Year End			Description of how there is significant influence	Reason why associate is not consolidated	Networth attribute to Shareholding as per latest audited Balance Sheet	Profit/Loss for the Year	
			No. of Share	Amount of Investment In Associate	Extent of Holding %				Considered in Consolidation	Not considered in Consolidation
1	Godrej One Premises Management Private Limited	31.03.2017	3000	0.00	30%	through % of holding	NA	0.00	-	-

INR 0.00 represents amount less than INR 50,000

Percantage holding in LLPs denotes the Share of Profit in the LLPs

All the above information is given as per Ind As

For and on behalf of the Board

PIROJSHA GODREJ
Executive Chairman
DIN: 00432983

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

SURENDER VARMA
Company Secretary
ICSI Membership No: A10428

RAJENDRA KHETAWAT
Chief Financial Officer

NOTICE

Notice is hereby given that the Thirty-Second Annual General Meeting ("AGM") of the members ("Members") of Godrej Properties Limited ("Company") will be held on Wednesday, August 02, 2017, at 02:00 p.m. at The Auditorium, Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079, to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited standalone financial statements and the audited consolidated financial statements of the Company for the financial year ended March 31, 2017 together with the report of the Board of Directors and report of the Auditors thereon.

2. To appoint a Director in place of Mr. Pirojsha Godrej (DIN:00432983), who retires by rotation and being eligible, offers himself for re-appointment.

3. To appoint BSR & Co. LLP, Chartered Accountants (ICAI Firm Registration No.101248W/W-100022), as Statutory Auditors of the Company to hold office from the conclusion of this 32nd Annual General Meeting till the conclusion of the 37th Annual General Meeting to be held in 2022 (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 Statutory Auditors, in addition to reimbursement of service tax and out of pocket expenses incurred in connection with the audit of accounts of the Company and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Audit and Auditors) Rules, 2014, ("the Rules"), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), BSR & Co. LLP, Chartered Accountants, Mumbai having ICAI Firm Registration No. 101248W/W-100022, who have offered themselves for appointment and have confirmed their eligibility to be appointed as Statutory Auditors, in terms of provisions of Section 141 of the Act, and Rule 4 of the Rules, be and are hereby appointed as Statutory Auditors of the Company in place of Kalyaniwalla & Mistry LLP (ICAI Firm Registration No. 104607W) Chartered Accountants to hold office for a period of five years from the conclusion of this Annual General Meeting until the conclusion of the 37th Annual General Meeting of the Company to be held in year 2022 on such remuneration as may be mutually agreed upon between by the Board of Directors and the Statutory Auditors, in addition to service tax and re-imbursement of out of pocket expenses, travelling expenses etc. incurred by them in connection with the audit of Accounts of the Company."

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

   "RESOLVED THAT in partial modification to the resolution passed by the Members at the 30th Annual General Meeting held on August 04, 2015 Mr. Pirojsha Godrej [DIN: 00432983], who was earlier designated as the Managing Director & Chief Executive Officer of the Company be and is hereby re-designated as Executive Chairman of the Company with effect from April 1, 2017 till the end of the tenure of his appointment viz. March 31, 2018 and will be liable to retire by rotation.

   "**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 196 and 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force) ("the 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. Pirojsha Godrej – Executive Chairman (DIN:00432983), with effect from April 01, 2017 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. Pirojsha Godrej is ₹ 9,08,000 per month. The annual basic salary and increments during his term will be recommended by the Nomination and Remuneration Committee and will be decided by the Board of Directors depending on the performance of Mr. Pirojsha Godrej as Executive Chairman, 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 financial year in accordance with the performance of Mr. Pirojsha Godrej as Executive Chairman.

      The collective target component is ₹ 1,00,00,000.

NOTICE

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 rules of the Company and subject to the relevant provisions of the 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 Nomination and Remuneration Committee may recommend and the Board of Directors may decide:

i. Housing i.e. unfurnished residential leased accommodation or house rent allowance as per the Company's rules;

ii. Supplementary allowance;

iii. Leave travel assistance for self and family;

iv. Food Vouchers;

v. Earned/privilege leave, on full pay and allowance, not exceeding 25 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.

The maximum cost to the Company per annum for the grant of the perquisites and allowances listed above to Mr. Pirojsha Godrej as Executive Chairman is ₹ 2,52,72,384. In addition to the above, Mr. Pirojsha Godrej will be entitled to furnishing at residence, provision of telephone at residence, leased line/ broadband expenses, electricity expenses for the leased accommodation, payment/ reimbursement of telephone and mobile expense, Company cars with drivers for official use, petrol reimbursement, club facilities, payment/ reimbursement of medical expenses for self and family, group insurance cover, group hospitalization cover, housing loan and/ or contingency loan as per the rules of the Company (subject to Central Government's approval, if required) and/ or any other allowances and perquisites and facilities as per the rules of the Company in force and as recommended by the Nomination and Remuneration Committee and decided by the Board of Directors from time to time. 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.

ii) Perquisites shall be valued 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.

RESOLVED FURTHER THAT approval be and is hereby accorded to make application to Central Government, if necessary, as per the provisions of Section 196 and 197 of the Act for obtaining its approval towards payment of remuneration as above, in the event it exceeds, in any financial year, the limits provided in Part II of Schedule V to the Act.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to execute the agreement with Mr. Pirojsha Godrej for the revised remuneration with effect from April 01, 2017 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."

5. To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"**RESOLVED THAT** in partial modification to the resolution passed by the Members at the 30th Annual General Meeting held on August 04, 2015 Mr. Mohit Malhotra [DIN: 07074531] who was earlier designated as an Executive Director of the Company, be and is hereby re-designated as Managing Director & Chief Executive Officer, to hold office as such in accordance with the Articles of Association of the Company with effect from April 01, 2017 until March 31, 2018.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 196 and 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force) ("the 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. Mohit Malhotra – Managing Director & Chief Executive Officer (DIN:07074531), with effect from April 01, 2017 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. Mohit Malhotra is ₹ 783,333 per month. The annual basic salary and increments during his term will be recommended by the Nomination and Remuneration Committee and will be decided by the Board of Directors depending on the performance of Mr. Mohit Malhotra, 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 financial year in accordance with the performance of Mr. Mohit Malhotra.

The collective target component is ₹ 10,000,000

III. **Flexible Compensation:**

In addition to the fixed compensation and the performance bonus mentioned above, Mr. Mohit Malhotra 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 Act (collectively, the "perquisites and allowances").

These perquisites and allowances shall be granted to Mr. Mohit Malhotra as per the rules of the Company and in the manner as the Nomination and Remuneration Committee may recommend and the Board of Directors may decide.

i. House Rent Allowance;

ii. Supplementary Professional Allowance;

iii. Leave travel assistance for self and family;

iv. Food Vouchers, petrol reimbursement & telephone reimbursement;

v. Earned/privilege leave, on full pay and allowance, not exceeding 25 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.

The maximum cost to the Company per annum for the grant of the perquisites and allowances listed above to Mr. Mohit Malhotra is ₹ 21,519,864. In addition to the above, Mr. Mohit Malhotra will be entitled to telephone at residence, payment/reimbursement of medical expenses for self and family, Company car with driver for official use, encashment of leave, club facilities, group insurance cover, group hospitalization cover, reimbursement of mobile expenses, housing loan and/ or contingency loan as per the rules of the Company (subject to Central Government's approval, if required) and/ or any other allowances and perquisites and facilities as per the rules of the Company in force and as recommended by the Nomination and Remuneration Committee and decided by the Board of Directors from time to time. Further, Mr. Mohit Malhotra 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 valued 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. Mohit Malhotra 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.

NOTICE

RESOLVED FURTHER THAT approval be and is hereby accorded to make application to Central Government, if necessary, as per the provisions of Sections 196 and 197 of the Act for obtaining its approval towards payment of remuneration as above, in the event it exceeds, in any financial year, the limits provided in Part II of Schedule V to the Act.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to execute the agreement with Mr. Mohit Malhotra for his re-designation as the Managing Director and Chief Executive Officer and for the revised remuneration with effect from April 01, 2017 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."

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

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. R. Nanabhoy & Co., Cost Accountants, appointed as Cost Auditors by the Board of Directors of the Company, for the financial year 2017-18 to conduct the audit of the cost records of the Company, be paid the remuneration of ₹ 105,000 (Rupees One Lac Five Thousand Only) exclusive of service tax and out of pocket expenses incurred by them in connection with the aforesaid audit.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

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

"**RESOLVED THAT** in supersession to the resolution passed by the Members of the Company through Postal Ballot on June 19, 2014, and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (the "Companies Act"), as amended from time to time, read with the applicable provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and the Articles of Association of the Company and all other provisions of applicable law, consent of the Members be and is hereby granted to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution), to borrow monies, from time to time, from financial institutions, non banking finance companies, co-operative banks, investment institutions and their subsidiaries, banks, mutual funds, trusts and other bodies corporate (hereinafter referred to as the "Lending Agencies"), whether by way of advances, loans, issue of debentures/ bonds and/or other instruments or otherwise which together with monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the Company's paid up share capital and free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board and which shall remain outstanding at any given point of time shall not exceed the sum of ₹ 27,50,00,00,000 (Rupees Two Thousand Seven Hundred and Fifty Crores only).

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorised to do all such acts, deeds and things as it may in its absolute discretion deem fit, necessary, proper, desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) as aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

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

"**RESOLVED THAT** in supersession to the resolution passed by the Members of the Company through Postal Ballot on June 19, 2014, and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (the "Companies Act"), as amended from time to time, read with applicable provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and the Articles of Association of the Company and all other provisions of applicable law, consent of the Members be and is hereby granted to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution), to create mortgage, charge and/or hypothecation in addition to the existing mortgages, charges and hypothecation created by the Company as may be necessary on such of the assets of the Company, both present and future, in such manner as the Board may direct, together with granting the power to take over the management of the Company in certain events, to or in favour of financial institutions, non-banking finance companies, co-operative banks, investment institutions and their subsidiaries, banks, mutual funds, trusts and other bodies corporate (hereinafter referred to as the "Lending Agencies") or trustees for the holders of debentures/bonds and/or other instruments or otherwise, to secure rupee term loans/foreign currency loans, debentures, bonds and other instruments of an equivalent aggregate

value not exceeding ₹ 27,50,00,00,000 (Rupees Two Thousand Seven Hundred and Fifty Crores only) together with interest thereon at the agreed rates, further interest, liquidated damages, premium on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company to the trustees under the trust deed and to the Lending Agencies under their respective agreements/loan agreements/security trustee agreements to be entered into by the Company in respect of the borrowings of the Company or borrowings of any other Company as the Board may deem necessary.

RESOLVED FURTHER THAT the Board be and is hereby authorised to finalise with such Lending Agencies/trustees, the terms and conditions and the documents for creating the aforesaid mortgage or charge and/or hypothecations and to accept any modifications to, or to modify, alter or vary, the terms and conditions or the documents and to do and execute all such acts, deeds, matters and things and take all such steps as may be necessary or desirable to give effect to the above Resolution."

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

"**RESOLVED THAT** pursuant to the provisions of Sections 42,71 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, including any statutory modification(s) or re-enactment thereof and Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and provisions of Memorandum of Association and Articles of Association and such other laws, rules, regulations, guidelines, notifications, circulars as applicable, the consent of the member of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of Directors which the Board may have constituted or hereinafter constitute to exercise any or all of its powers including the powers conferred by this resolution) of the Company, to raise funds by way of issuance of Unsecured/ Secured Redeemable Non-Convertible Debentures/ Bonds ("NCDs"), on private placement basis,during the period of one year from the date of passing of the Special Resolution by the Members, for an amount not exceeding ₹ 500 Crore (Rupees Five Hundred Crore only) on such terms and conditions and at such times at par, discount or at such premium, as may be decided by the Board to such person(s), including one or more company(ies), bodies corporate, statutory corporations, commercial banks, Systemically important non banking financial companies, lending agencies, financial institutions, insurance companies, mutual funds, pension/provident funds and individuals, as the case may be or such other person(s) as the Board may decide so, however, that the aggregate amount of funds to be raised by issue of NCDs shall not exceed the overall borrowing limits of the Company, as may be approved by the Members from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do such acts, deeds, things as it may, in absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the terms thereof, finalizing the form / placement documents / offer letter, timing of the issue(s), including the class of investors to whom the NCDs are to be allotted, number of NCDs to be allotted in each tranche, issue price, redemption, rate of interest, redemption period, allotment of NCDs, appointment of lead managers, arrangers, debenture trustees and other agencies, entering into arrangements for managing the issue, issue placement documents and to sign all deeds, documents and writings and to pay any fees, remuneration, expenses relating thereto and for other related matters and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such offer(s) or issue(s) or allotment(s) as it may, in its absolute discretion, deem fit."

By Order of the Board of Directors
For Godrej Properties Limited

Sd/-
Surender Varma
Company Secretary & Chief Legal Officer
ICSI Membership No. A10428

Place : Mumbai
Dated : May 04, 2017

Registered Office : Godrej One,
5th Floor, Pirojshanagar,
Eastern Express Highway,
Vikhroli (East), Mumbai - 400079
CIN: L74120MH1985PLC035308
Tel: 91 22 61698500 Fax: 91 22 61698888
Website: www.godrejproperties.com
Email : secretarial@godrejproperties.com

NOTICE

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 32nd Annual General Meeting (AGM).
3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
4. An explanatory statement pursuant to Section 102 of the Companies Act, 2013, as amended (the "Companies Act" or the "Act") with respect to Item Nos. 3 to 9 of the notice set out above is annexed hereto.
5. The details as stipulated under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards issued by the Institute of Company Secretaries of India, in respect of the director seeking re-appointment under item no. 2 of this Notice, are annexed.
6. Corporate Members intending to attend the AGM through their authorized representatives are requested to send a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.
7. Members desirous of seeking any clarifications pertaining to agenda items at the AGM 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 AGM, so that the same can be suitably replied to.
8. Members are requested to address all correspondence, including dividend matters, to the Registrar and Share Transfer Agents, Karvy Computershare Private Limited, Karvy Selenium Tower-B, Plot No. 31 & 32, Financial District, Gachibowli, Nanakramguda, Serilinggampally, Hyderabad - 500 008 ("Karvy").
9. Members who wish to claim dividends, which had remained unpaid are requested to contact the Registrar and Share Transfer Agents, Karvy. 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 along with the underlying shares to the Investor Education and Protection Fund (IEPF) as per Sections 124 and 125 of the Companies Act, 2013. Members are requested to claim their unclaimed dividends immediately to avoid transfer of underlying shares to the IEPF.
10. As per the provisions of Section 72 of the Act, and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form may file nomination in the prescribed Form SH.13 with Karvy. In respect of shares held in dematerialized form, the nomination may be filed with the respective Depository Participants.
11. 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 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 may note that this Notice and the Annual Report 2016-17 will also be available on the Company's website www.godrejproperties.com.
12. Members/Proxies should bring the Attendance Slip duly filled in, for attending the AGM 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 the duly filled in Attendance Slip at the registration counter to attend the AGM.
13. In compliance with the Rule 20 of the Companies (Management and Administration) Rules, 2014 and Secretarial Standards issued by the Institute of Company Secretaries of India, the Company has considered July 26, 2017 to determine the eligibility of Members to vote by electronic means or through physical ballot at the AGM (Cut off date). The persons whose names appear on the Register of Members/List of Beneficial Owners as on the Cut off date would be entitled to vote through electronic means or through physical ballot at the AGM.

14. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address with their Depository Participants for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Karvy.

16. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

17. In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing the facility to its Members, being eligible to vote, to exercise their right to vote by electronic means on any or all of the businesses specified in the accompanying Notice. Members can cast their votes on electronic voting system from any place other than the venue of the meeting (Remote e-voting). The persons who have become the Members of the Company after the dispatch of the Notice and Annual Report and their names appear in the Register of Members/List of Beneficial Owners as on the Cut off date i.e. July 26, 2017 may contact Karvy to obtain the Notice of AGM and the login id and password for casting vote electronically or may cast their vote through physical ballot at the AGM. Details of the process and manner of remote 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 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 29, 2017

    Conclusion of e-voting: At 5.00 p.m. on August 01, 2017

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

(iii) Enter the login credentials (i.e. User ID and Password) In case of physical folio, User ID will be EVEN(E-voting Event Number) xxxx followed by folio number. In case of demat account, User ID will be your DPID and Client 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 “EVENT” 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” If Member does not indicate either “FOR” or “AGAINST” it will be treated as “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 have voted on the resolution, 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).

NOTICE

(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: akjaincs@gmail.com with a copy marked to evoting@karvy.com. 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 [For Members whose email IDs are not registered with the Company/ Depository Participants] 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) In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the Cut-Off date for E-voting i.e., July 26, 2017, he/she may obtain the User ID and Password in the manner as mentioned below:

i. If the mobile number of the member is registered against Folio No./ DP ID, Client ID, the member may send SMS: **MYEPWD** <space> E-Voting Event Number+Folio No. or DP ID, Client ID to 9212993399

Example for NSDL:

MYEPWD <SPACE> IN12345612345678

Example for CDSL:

MYEPWD <SPACE> 1402345612345678

Example for Physical:

MYEPWD <SPACE> XXXX1234567890

ii. If e-mail address or mobile number of the Member is registered against Folio No. / DP ID, Client ID, then on the home page of https://evoting.karvy.com, the Member may click "Forgot Password" and enter Folio No. or DP ID, Client ID and PAN to generate a password.

iii. Member may call Karvy's toll free number 1800-3454-001.

iv. Member may send an e-mail request to evoting@karvy.com. However, Karvy shall endeavour to send User ID and Password to those new Members whose mail ids are available.

(d) Common Instructions:

(i) E-voting shall not be allowed beyond 5.00 p.m. on August 01, 2017. During the e-voting period, Members of the Company, holding shares either in physical form or in dematerialized form, as on Cut off date, may cast their vote electronically. A person who is not a Member as on the Cut off date should treat this Notice for information purpose only. The remote evoting module shall be disabled for voting thereafter. 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/ grievance pertaining to remote e-voting, please visit Help & FAQ's and e-voting user manual available to the download section available at the Karvy's website https://evoting.karvy.com or contact details of Karvy at toll free no. 1800-3454-001 or email at 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 Cut off date.

(iv) The Board of Directors ("Board") has appointed Mr. Ashish Kumar Jain, of M/s A K Jain & Co, Practicing Company Secretaries, as the Scrutinizer to scrutinize that the remote e-voting process and voting at the meeting is conducted in a fair and transparent manner.

(v) The Scrutinizer shall within a period not exceeding three (3) 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 shall make a Scrutinizer's Report of the votes cast in favour or against, if any, and forward it 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 may attend the AGM but shall not be entitled vote at the Meeting. A Member can opt for only single mode of voting i.e. either through remote e-voting or voting at the AGM. 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 remote 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) immediately after the declaration of the results and the same will be communicated to the BSE Limited and the National Stock Exchange of India Limited.

18. Route map showing directions to reach venue of the AGM is given at the end of the Annual Report.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 3

The Members of the Company at the 29th Annual General Meeting had appointed Kalyaniwalla & Mistry LLP, Chartered Accountants, (Firm Registration no.: 104607W) as the Statutory as well as Tax Auditors of the Company, to hold office from the conclusion of 29th Annual General Meeting of the Company until the conclusion of the 32nd Annual General Meeting.

As per the provisions of the Companies Act, 2013 ("the Act"), no listed company shall appoint an audit firm as auditors for more than two terms of five consecutive years. The Act also provided for additional transition period of three years from the commencement of the Act i.e. 1st April, 2014. Accordingly, the term of the present Auditors, Kalyaniwalla & Mistry LLP expires at the conclusion of the forthcoming Annual General Meeting.

For the purpose of appointment of new Auditors, the Audit Committee after considering the back-ground of various firms e.g. experience, partner and staff strength etc., recommended BSR & Co. LLP, Chartered Accountants, Firm Registration No. 101248W/W-100022, Mumbai as the Company's new Statutory Auditor.

BSR & Co. was constituted on 27 March 1990 having firm registration no. 101248W. It was converted into a Limited Liability Partnership i.e. BSR & Co. LLP on 14 October 2013 with firm registration no. 10l248WIW-100022. The registered office of BSR & Co. LLP is at 5th Floor, Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai, Maharashtra - 400 011 .

BSR & Co. LLP is a member entity of BSR & Affiliates, a network registered with the Institute of Chartered Accountants of India. The other entities which are part of the BSR & Affiliates network include BSR & Associates LLP, BSR & Company, BSR and Co, BSR and Associates, BSR and Company, BSRR & Co, BSSR & Co and BBSR & Co.

BSR & Co. LLP is registered in Mumbai, Gurgaon, Bangalore, Kolkata, Hyderabad, Pune, Chennai, Chandigarh, Ahmedabad, Vadodara, Noida and Kochi.

The Board of Directors based on the recommendation of the Audit Committee recommends the appointment of the BSR & Co. LLP, Chartered Accountants, Firm Registration No. 101248W/W-100022, Mumbai as the Statutory Auditors of the Company to the Members for their approval. If approved by the Members, the appointment of BSR & Co. LLP, Chartered Accountants as a Statutory Auditor will be for a period of five years commencing from the conclusion of Thirty Second Annual General Meeting till the conclusion of the Thirty Seventh Annual General Meeting (subject to ratification of the appointment by Members at every Annual General Meeting held after this Annual General Meeting).

BSR & Co. LLP, Chartered Accountants have confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as statutory auditor in terms of the provisions of Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014. The Board of Directors recommend the Resolution at Item No. 3 of the Notice for your approval.

None of the Directors, Key Managerial Personnel and other relatives are concerned or interested in the Resolution at Item No. 3 of the Notice.

ITEM NO. 4

The Members at the Annual General Meeting held on July 28, 2012 had 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.

The Board of the Company at its meeting held on January 27, 2015, and the Members of the Company at the Annual General Meeting of the Company held on August 04, 2015 approved the re-appointment of Mr. Pirojsha Godrej as MD & CEO of the Company, for a further period of three years with effect from April 01, 2015.

Mr. Adi. B. Godrej had step down from the Chairmanship of the Board with effect from April 01, 2017 and consequently, the Board of Directors of the Company has decided that Mr. Pirojsha Godrej after a successful stint as Managing Director & CEO shall move away from the routine day to day operations in order to focus on the long term future goals of the Company, while at the same time continuing to retain some critical

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portfolios. Accordingly, the Board of Directors at its meeting held on February 02, 2017, based on the recommendation of Nomination & Remuneration Committee, had re-designated Mr. Pirojsha Godrej as Executive Chairman of the Company with effect from April 01, 2017 till the end of the tenure of his appointment as an Executive Director viz. March 31, 2018.

In addition the Board of Directors at its meeting held on May 04, 2017, revised the remuneration payable to Mr. Pirojsha Godrej with effect from April 01, 2017, subject to the approval of the Members of the Company.

Accordingly, the approval of the Members of the Company is sought to confirm and ratify the re-designation of Mr. Pirojsha Godrej as Executive Chairman and approve the revision in the terms & conditions of the remuneration payable to Mr. Pirojsha Godrej as mentioned in the Resolution at item no. 4 of this notice, with effect from April 1, 2017.

Nature of concern or interest of Directors:

None of the directors and/or key managerial personnel of your Company and their relatives, except Mr. Pirojsha Godrej, are concerned or interested, financially or otherwise, in the above Resolution.

The Board recommends the passing of the Resolution set out at Item No. 4 of this Notice.

ITEM NO. 5

The Board of the Company at its meeting held on February 11, 2015 and the Members of the Company at Annual General Meeting held on August 04, 2015 appointed Mr. Mohit Malhotra as an Executive Director of the Company for a period of three years with effect from April 01, 2015.

Mr. Mohit Malhotra has played a key role in the growth of the Company's business and has substantially contributed in taking the Organization to the current position. He has been instrumental in the acquisition of quality projects added over the past few years resulting in accelerated pace of growth and optimization of stakeholders' return. Keeping in view the additional roles and responsibilities and considering the performance of Mr. Mohit Malhotra, the Board at its meeting held on February 02, 2017, based on the recommendation of Nomination & Remuneration Committee, re-designated Mr. Mohit Malhotra as Managing Director & Chief Executive Officer of the Company with effect from April 01, 2017 for the remaining period of his tenure up to March 31, 2018.

In addition to the above, the Board at its meeting held on May 04, 2017, revised the remuneration payable to Mr. Mohit Malhotra with effect from April 01, 2017, subject to the approval of the Members of the Company.

Accordingly, the approval of the Members of the Company is sought to confirm and ratify the re-designation of Mr. Mohit Malhotra as Managing Director & Chief Executive Officer of the Company and approve the revision in the remuneration payable to Mr. Mohit Malhotra as Managing Director & Chief Executive Officer as mentioned in the Resolution at item no. 5 of this notice, with effect from April 01, 2017.

Nature of concern or interest of Directors:

None of the directors and/or key managerial personnel of your Company and their relatives, except Mr. Mohit Malhotra, are concerned or interested, financially or otherwise, in the above Resolution.

The Board recommends the passing of the Resolution set out at item no. 5 of this Notice.

ITEM NO. 6

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. R. Nanabhoy & Co., Cost Accountants, as Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2017-18. In accordance with the provisions of Section 148 of the companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company.

Accordingly, consent of the Members is sought for passing Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2017-18.

Nature of concern or interest of Directors:

None of the directors and/or key managerial personnel of your Company and their relatives are concerned or interested, financially or otherwise, in the above Resolutions.

ITEM NOs. 7 and 8

The Members of the Company had on June 19, 2014 by way of special resolutions passed through Postal Ballot had accorded its approval under Section 180(1)(a) and 180(1)(c) of the Companies Act, 2013 for borrowing of sums by the Company upto a limit not exceeding ₹ 22,50,00,00,000 (Rupees Two Thousand Two Hundred and Fifty Crores only) and to create securities for such borrowings by creation of mortgage, charge and/or hypothecation on movable and immovable assets of the Company.

Taking into account the business operations and future growth plans of the Company and to cater to the working capital needs, it is proposed to enhance the borrowing limits from ₹ 2,250 Crore to ₹ 2,750 Crore, notwithstanding that the monies to be borrowed by the Company together with monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) and remaining outstanding at any point of time will exceed the Company's paid up share capital and free reserves, that is to say, reserves not set apart for any specific purpose. The total amount up to which monies may be so borrowed by the Board and which shall remain outstanding at any given point of time shall not exceed the sum of ₹ 27,50,00,00,000 (Rupees Two Thousand Seven Hundred and Fifty Crores only). It is also proposed to create security for the borrowings by way of suitable mortgage, hypothecation or charge on all or any of the movable and/or immovable properties of the Company.

Nature of concern or interest of Directors:

None of the directors and/or key managerial personnel of your Company and their relatives, are concerned or interested, financially or otherwise, in the above Resolution.

Accordingly, the Board of Directors of your Company recommends the passing of resolutions as set out at Item Nos. 7 & 8 as the Special Resolutions.

ITEM NO.9

In order to finance, inter alia, the ongoing capital expenditure, acquisition of land, construction of the ongoing and/or forthcoming projects as also for repayment/ pre-payment, in full or part, of certain loans availed by Godrej Properties and certain subsidiaries, refinancing of part of the existing loans in order to reduce interest costs and for general corporate purposes, the Company proposes to borrow funds by issue of Secured/ Unsecured Redeemable Non-Convertible Debentures / Bonds ("NCDs"), in one or more tranches/ series on private placement basis.

The Board of Directors in its meeting held on May 04, 2017 has proposed to seek approval of Members to issue NCDs aggregating upto ₹ 500 Crore (Rupees Five Hundred Crore only) in one or more tranches, on private placement basis to the eligible investors as may be identified by the Board of Directors of the Company.

In terms of Sections 42 and 71 of the Companies Act, 2013 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, a Company shall not make a private placement of its securities unless the proposed offer of securities or invitation to subscribe to the securities has been previously approved by the Members of the Company by a Special Resolution. In case of an offer or invitation to subscribe to non-convertible debentures on private placement, the Company can obtain previous approval of its shareholders by means of a Special Resolution once a year for all the offers or invitations for such non-convertible debentures during the year.

Accordingly, the approval of the Members of the Company is sought to approve raising of funds by issue of NCDs, aggregating upto ₹ 500 Crore (Rupees Five Hundred Crore only) as mentioned in the Resolution at Item No.9 of this Notice which will be within the overall borrowing limits as approved by the Members of the Company.

Nature of concern or interest of Directors:

None of the directors and/or key managerial personnel of your Company and their relatives, are concerned or interested, financially or otherwise, in the above Resolution.

The Board recommends the passing of the Resolution set out at Item No. 9 of this Notice.

By Order of the Board of Directors
For Godrej Properties Limited

Sd/-
Surender Varma
Company Secretary & Chief Legal Officer
ICSI Membership No. A10428

Place : Mumbai
Dated : May 04, 2017

Registered Office :
Godrej One,
5th Floor, Pirojshanagar,
Eastern Express Highway,
Vikhroli (East), Mumbai - 400079
CIN: L74120MH1985PLC035308
Tel: 91 22 61698500 Fax: 91 22 61698888
Website: www.godrejproperties.com
Email : secretarial@godrejproperties.com

NOTICE

Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards issued by The Institute of Company Secretaries of India, the following information is furnished about the Directors proposed to be re-appointed/appointed.

Brief Resume of the Directors

Name of the Director **Particulars**	**Mr. Pirojsha Godrej** **(DIN: 00432983)**	**Mr. Mohit Malhotra** **(DIN: 07074531)**
Age	36	39
Nationality	Indian	Indian
Date of Appointment	October 25, 2008	April 01, 2015
Shares held in the Company	13,28,802	21,756
Qualification	Mr. Pirojsha Godrej holds a Bachelors Degree in Economics from the Wharton School at the University of Pennsylvania, a Masters degree in International Affairs from Colombia University's School of International and Public Affairs and a Masters degree in Business Administration from Columbia Business School, U.S.A.	Mr. Malhotra holds a Bachelor's degree in Mechanical Engineering from Thapar Institute of Engineering & Technology, Patiala and a Post Graduate Diploma in Management from the Indian Institute of Management, Kolkata
Expertise in specific functional area	Management	Management
Terms & Conditions of re-appointment/ variation of remuneration	Specified in Resolution No. 4 of the Notice	Specified in Resolution No. 5 of the Notice
Remuneration last drawn	Kindly refer the Corporate Governance Report	Kindly refer the Corporate Governance Report
Directorships held in other companies	• Swaddle Projects Private Limited • Godrej One Premises Management Private Limited • Godrej Investment Advisers Private Limited • Godrej Consumer Products Limited	Nil
Chairman/Membership in other committees of the Board	• Allotment Committee • Management Committee • Corporate Social Responsibility Committee • Stakeholder Relationship Committee	• Corporate Social Responsibility Committee • Management Committee
Inter-se relationship with other directors/ Key Managerial Personnel	Nephew of Mr. Jamshyd N. Godrej & Mr. Nadir B. Godrej	None
No. of Board meetings attended during the year	4 (Four)	4 (Four)

PROXY FORM

GODREJ PROPERTIES LIMITED

CIN: L74120MH1985PLC035308

Registered Office: Godrej One, 5th Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East) Mumbai – 400 079.

Email: secretarial@godrejproperties.com website: www.godrejproperties.com

Form No. MGT-11

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member			
Registered Address :-			
E-mail ID			
Folio No./ Client ID		DP -ID	

I/We, being the member (s) of ..... shares of the above named company, hereby appoint:-

1.	Name			
	Address		Signature	
	E- Mail ID			
Or failing him				
2.	Name			
	Address		Signature	
	E- Mail ID			
Or failing him				
3.	Name			
	Address		Signature	
	E- Mail ID			

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Wednesday, August 02, 2017 at 2:00 p.m. at Godrej One, The Auditorium, Pirojshanagar, Eastern Express Highway, Vikhroli (East) Mumbai - 400 079 and at any adjournment(s) thereof in respect of such resolutions as are indicated below:

Resolution Nos. :-

Sr. No	Resolutions	Optional (see note 2)		
		For	**Against**	**Abstain**
ORDINARY BUSINESS				
1.	Adoption of the financial statements for the year ended March 31, 2017			
2.	Re-appointment of Mr. Pirojsha Godrej as Director liable to retire by rotation			
3.	Appointment of M/s BSR & Co. LLP as Statutory Auditors of the Company			
SPECIAL BUSINESS				
4.	Ratification of redesignation of Mr. Pirojsha Godrej as the Executive Chairman and revision in remuneration payable to him			
5.	Ratification of redesignation of Mr. Mohit Malhotra as the Managing Director & Chief Executive Officer and revision in remuneration payable to him			
6.	Ratification of remuneration paid to Cost Auditors			
7.	Approval for enhancement of borrowing limits			
8.	Approval for creation of charge on properties of the Company			
9.	Approval for issue of Non-Convertible Debentures			

Signed this _____day of _____2017

Affix Revenue Stamp

Signature of the Member _____

_____ Signature of the First Proxy Holder

_____ Signature of the Second Proxy Holder

_____ Signature of the Third Proxy Holder

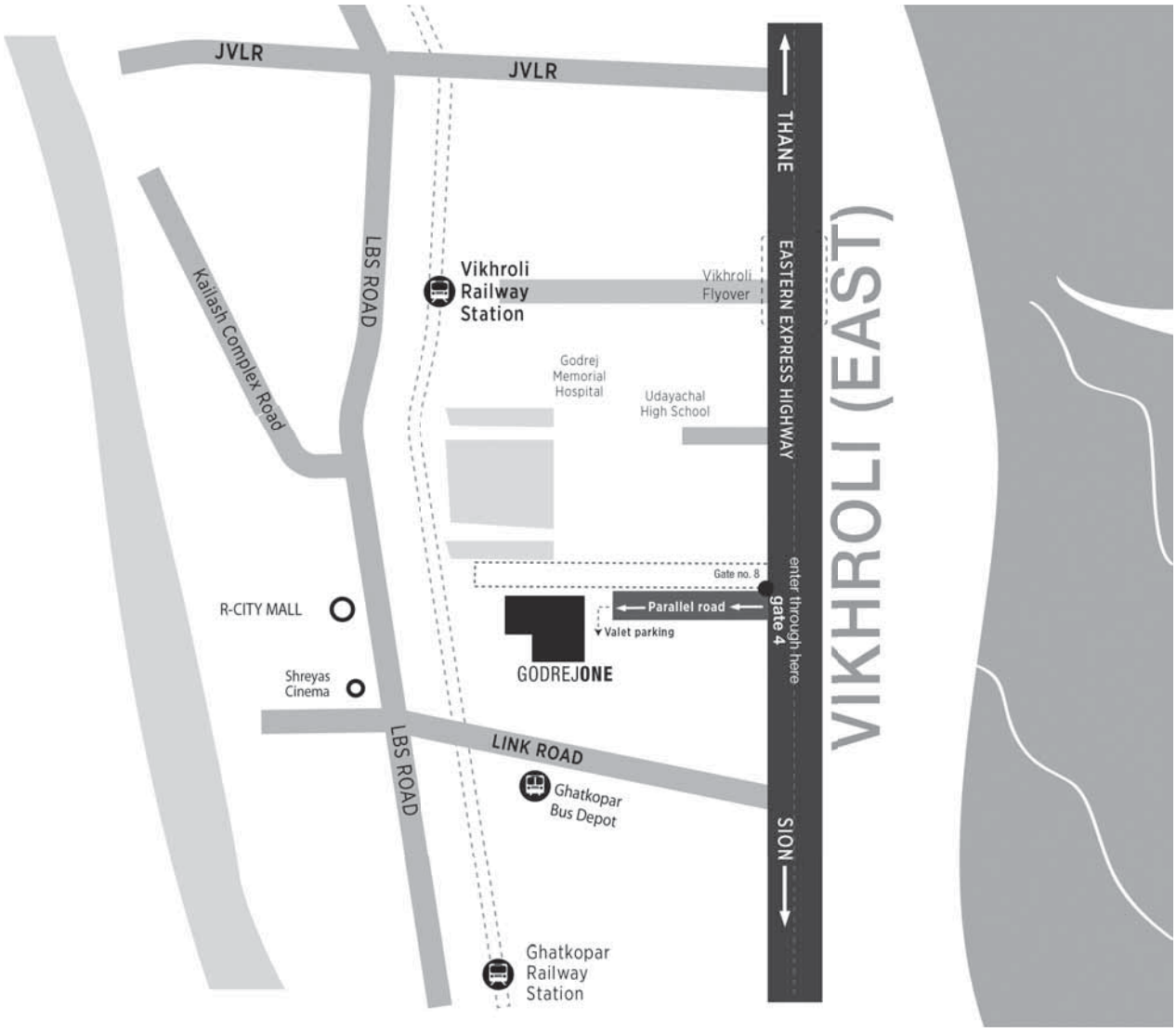
Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference. If you leave the 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he / she may deem appropriate.

VENUE OF THE MEETING

Auditorium, Godrej One,

Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079.



NOTES

Godrej Properties Limited

Registered Office:

Godrej Properties Limited
Godrej One, 5th Floor, Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai 400 079. India
Tel: 91-22-61698500 | Website: www.godrejproperties.com

Regional Office

AHMEDABAD
2nd Floor,
RUDRAPATH
Near Rajpath Club
S. G. Highway
Ahmedabad -
380059.

BENGALURU
No.80,
Hulkul Ascent,
2nd Cross,
Lavelle Road,
Bengaluru
560001.

CHENNAI
3rd Floor,
Sudharsan Buildings,
Old No. 86/5,
New No. 92/5,
Chamiers Road,
Opp. to Hotel
Sheraton Park,
Chennai - 600 018

GURGAON
3rd Floor,
UM House Tower A,
Plot no.35,
Sector – 44,
Gurgaon – 122002
Haryana.

KOLKATA
No. 23,
The Legacy 25A,
Shakeshpare
Sarani,
Kolkata - 700017.

PUNE
Godrej Eternia C,
Office A,
10th Floor,
3 Old Mumbai
Pune Highway,
Wakdewadi Shivaji
Nagar,
Pune - 411005

Site Address

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 Avenues,
Yelahanka – Doddaballapur Main Road,
Near BMS Institute of Technology,
Yelahanka, Bengaluru - 560089.

Godrej Eternity
Holiday Village Road,
Near Sri Kumaran's School,
Off Kanakapura Main Road, Mallasandra,
Bengaluru - 560062

Godrej Palm Grove
Chembarabakam Village,
Poonamalee Taluk,
Tiruvallur District,
Chennai, Tamilnadu.

Godrej Eternia
Plot No. 70,
Industrial area, Phase I,
Chandigarh - 160002.

Godrej Golf Links
Plot no. REP-1,
Sector 27,
Near Pari Chowk,
Greater Noida

Godrej Aria
Sector 79,
Gurgaon

Godrej 101
Sector 79,
Gurgaon

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 Icon,
Sector 89A / 88A,
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 Alpine
Faya Enclave,
Airport Road, Yeyyadi,
Mangalore - 575008

Godrej BKC,
Plot C-68, G-Block,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400051

Godrej Central,
Shell Colony,
Chembur,
Mumbai - 400 071

Godrej Prime
Sahakar Nagar II,
Shell Colony, Chembur,
Mumbai - 400 071

Godrej Sky
Ghodapdeo 4th Cross Rd,
Ferbandar, Ghodapdeo,
Byculla East, Byculla,
Mumbai - 400033

Godrej Vihaa
Neral- Maharashtra Industrial
development corporation
Besides Usha Kiran Residency,
Neral-Badlapur Rd,
Badlapur - 421502

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 One, 5th Floor,
Pirojshanagar,
Eastern Express Highway,
Vikhroli East,
Mumbai - 400079

Godrej Emerald,
Ghodbunder Road,
Bhayandarpada,
Thane (W) - 400615

Godrej Anandam,
Model Mill Compound,
Ganeshpeth,
Nagpur - 440018

Godrej Horizon,
S No 2 (p) & 3 (p)
Behind Corinthians Club
NIBM annexe Undri,
Pune - 411048

Godrej Prana
Next to Tata Inora Park,
Undri-Saswad Road,
Undri,
Pune - 411048

Godrej Infinity
Oxford Group,
Building B, 3rd Floor, 501,
Kensington Court, 5th Lane,
Koregaon Park,
Pune - 411 001

Godrej 24,
Rajiv Gandhi Infotech Park,
Next to Wipro, Hinjewadi,
Phase 1, Pune - 411057

Godrej Properties Limited, Godrej One, 5th Floor, Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai 400 079. India
Tel: 91-22-61698500 | Website: www.godrejproperties.com

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